COMMERCE AMERICA
FORMERLY COMMERCE TODAY

*U.S. Department of Commerce / July 19, 1976*

*. . . more definition needed*

# Newsmemo

American farmers are using pesticides more than ever. Reasons: more acreage under cultivation, repeat plantings rather than rotation, closer row-spacing requiring overall application, and lack of deep plowing, which allows survival of more insects and diseases in field stubble. Another factor is the removal from the market of highly effective pesticides, necessitating greater use of less effective substitutes. Pesticides represent about 2 percent of farm production costs—cheap crop insurance in the view of most farmers. U.S. crops would probably be reduced by 10-15 percent without use of chemical pesticides.

Phasedown of lead in gasoline additives will continue. The Supreme Court has turned down a challenge to the Environmental Protection Agency to regulate gasoline additives. An industry spokesman has predicted that the lead phasedown will add 5-6 percent to the U.S. annual consumption of crude oil and bring higher prices at the gas pump. About 11 percent of domestically-refined gasoline in 1975 was unleaded; in 1976, it is estimated, the proportion will rise to 20 percent.

First significant legislative curb in 30 years on the authority of the Food and Drug Administration. It is the new law, effective Oct. 22, that bars FDA from setting maximum limits on the amount of vitamins, minerals, or other ingredients combined in dietary supplements and sold in capsule, tablet, or liquid form. Since World War II vitamin/mineral supplements have increasingly become a part of the American diet. For over ten years the pharmaceutical industry has been trying to reduce FDA authority in this field. Growth in vitamin supplement sales, averaging 10 percent annually, is not expected to be affected greatly by the new law.

If FDA's authority in the vitamin field has been limited, its role in another—medical devices—has widened. A recently enacted Federal law gives FDA the power to ban dangerous, as well as faulty and ineffective, medical devices. Some products in this $4 billion annual market will require extensive testing before getting FDA approval. Patient safety will be improved, but costs can be expected to go up and there may be delays in marketing new devices.

Strip mining regulations for federal coal reserves have been cut. The Interior Department rules require mine operators to minimize pollution and restore public lands to approximate original contour and vegetation as they work them. By 1985 two-thirds of U.S. coal production will come from surface mines and about a quarter of the 1985 total will come from federal properties. Interior plans to resume leasing of federal coal lands within nine months, thus ending a moratorium begun in 1971.

Estimates of world production of solid-state watches in 1976 keep going up. An earlier figure of 15 million units has been revised to 18 million, with an approximate retail value of $630 million. The revision takes note of Texas Instruments' marketing plans for a watch selling for under $20. About half of all watches now sold in the U.S. retail at under $20. Four other firms have recently announced increases in production, primarily in Far Eastern countries. More than half of the world production of solid-state watches is expected to be marketed in the U.S.

Managers of multinational firms are more likely than others to view themselves as global citizens. Bank of America President A. W. Clausen regards them as builders of a peaceful world, saying: "The difference between the multinational executive and the domestic corporate manager is not his range of responsibility, but his world view. . . . This will go far to reduce tension and induce harmony in the world's political institutions. And that is no small gift."

Regional initiatives are growing in Latin America. Further evidence of this is the Second Conference on Export Promotion in Latin America being held July 25-30 in Caracas. The organizers, the Banco Central de Venezuela and First National Bank of Boston, are being joined by no less than a dozen regional associations, centers, institutes and banks.

Mexico will send its President to open a fair of Mexican products in San Antonio Sept. 7. MexFair 76, fourth in an annual series, will present more than 1,500 product lines by 950 Mexican manufacturers. The Mexican Institute for Foreign Trade and the City of San Antonio are sponsors.

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**COVER:** How high flies the corporate flag these days on the issue of corporate responsibility was the recent concern of Secretary Richardson's new Advisory Council. Disparate views of business executives, labor leaders, educators, and consumers who make up the Council membership indicated clearly that more definition of the problem is needed in the months and years ahead.

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Published biweekly by the U.S. Department of Commerce, Washington, D.C. Annual subscription rate $29.80 ($7.45 additional for foreign mailing, $5.75 additional for domestic air mailing). Single copy $1.15. Make checks or money orders payable to Superintendent of Documents and mail to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or to any U.S. Department of Commerce District Office.

All subscription inquiries and address changes should be sent to the Superintendent of Documents, at the above address. This is the central distribution agency for U.S. Government publications.

Microfiche copy available at $2.25 per issue from National Technical Information Service, Springfield, Virginia 22151. Other inquiries should be sent to the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

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ECONOMIC HIGHLIGHTS

# Decline In Unemployment Tempered By Rapid Increase In Labor Force

*This column was written by John W. Kendrick, Chief Economist of the Department of Commerce, with Staff Economist Theodore S. Torda.*

**John W. Kendrick**

The rebound in economic activity since early 1975 has brought about substantial improvement in labor market conditions. Earlier this year, total civilian employment had fully recovered from the loss sustained during the past recession, and in the second quarter rose to a new high. However, employment in some major industries has not yet returned to previous cyclical highs. Growth in the labor force has been unusually rapid during this recovery; and the unemployment rate remains well above the prerecession low.

Two broad measures are examined below to provide a perspective on employment developments during the recession and recovery. One is based on a monthly household survey, which provides demographic detail and the most comprehensive estimate of total employment and unemployment. The other is based on a monthly survey of nonagricultural employers, which gives details of payroll employment by sector and industry.

As indicated in the first chart, growth in the labor force during the past recession was in line with historical experience. However, the decline in civilian employment beginning in late 1974 was deeper than usual. As a result, the unemployment rate, which had been drifting up moderately, rose very sharply during the last two quarters of the recession. The unemployment rate continued to rise in the first quarter of this recovery, to an average of 8.7 percent, the highest in the postwar period.

As economic recovery gained momentum in the second half of 1975, the unemployment rate remained on a high plateau. However, a marked reduction in unemployment occurred during the early months of 1976. Still, the net decline in the unemployment rate during the recovery has been less than usual—despite the above-average gain in jobs.

The explanation, in large part, is that the rate of growth in the civilian labor force was large compared with similar phases of previous postwar recoveries. This stems from an accelerated increase in the labor force participation rate by adult women (particularly young wives) and a moderate step-up in the growth rate of the adult male labor force. Growth in the teenage labor force also has picked up during this recovery, but the rate of increase has been considerably slower than during the prior decade.

Rapid growth in the labor force participation rate by wives may have been induced by the combination of severe recession and inflation, which caused a significant erosion in real income. However, longer term trends appear to be more important than cyclical factors. A declining fertility rate, the consequent sharp reduction in the proportion of married women with young children, and changing socio-economic conditions have made it possible for wives to enter the job market at an accelerated rate.

One additional factor that tempered the reduction in unemployment during this recovery has been an above-average cyclical rebound in productivity, as measured by output per hour of all persons in the private economy. But the strong recovery in productivity has been an important factor in mitigating inflationary pressures and restoring profit margins.

Chart 2, derived from the survey of nonagricultural establishments, provides a perspective on recent trends in payroll employment. As is typically the case, the goods-producing industries bore the brunt of the decline in employment during the recession, and they continued to reduce employment in the early stage of the recovery. The table shows that job losses were heaviest in durable goods manufacturing and construction. Employment in mining continued to rise throughout the recession, especially in energy resources such as coal and petroleum.

As of June 1976, nonagricultural payroll employment in the goods-producing industries had recovered less than one-third of the 2.9 million job loss incurred during the recession. Manufacturing employment has been recovering since last August, but currently is still 7 percent below its previous cyclical high reached in December 1973. Employment in construction hit its low in March 1976, and continues to be severely depressed.

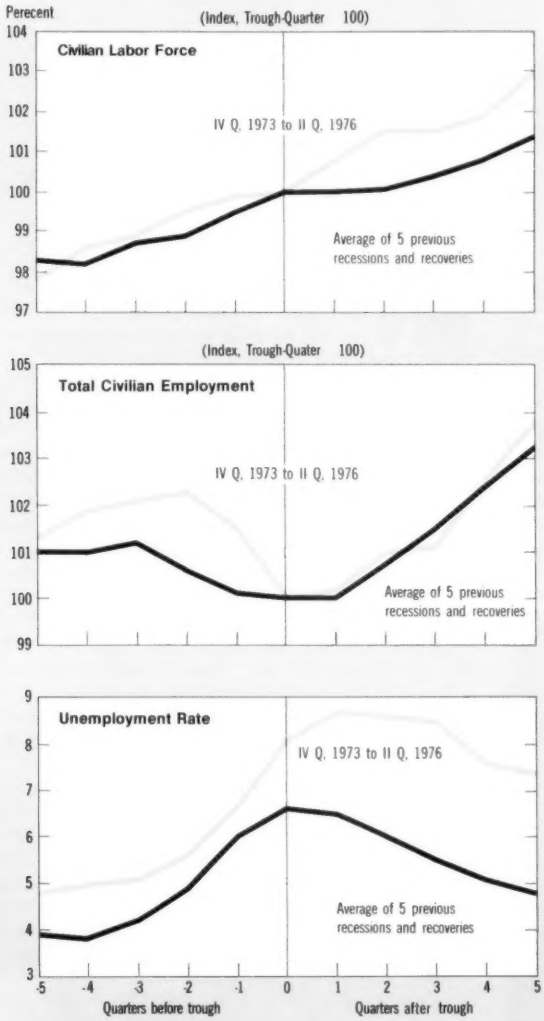
In the broadly defined service-producing industries (see table), the net decline in employment during the recession was moderate, of short duration, and was quickly recouped. A buffering effect occurred as employment in the narrowly defined services industry and in the government sector rose during the recession. It should be noted, however, that employment growth in government has moderated from the prerecession rate, reflecting a net reduction in the federal sector since early 1975 and slower growth in the state and local government sector. Employment in the transportation and public utilities industries underwent a relatively sharp decline during the recession and there has been virtually no recovery to date. The decline was concentrated in transportation, which is technically a service, but is closely tied to the production of goods.

On balance, total nonagricultural payroll employment returned to its prerecession peak in April 1976, and since then has moved to new highs. Diffusion indexes show how pervasive the employment gains have been among various industries. When nonagricultural payroll employment began to recover in July 1975, the one-month span diffusion index rose above the 50 percent level and held in the range of 55 to 80 percent until June 1976, when it dropped to 40 percent. Gains in payroll employment during May and June were limited, partly because of labor-management disputes. The six-month span diffusion index, which is a better indicator of underlying employment trends, recently has been holding around 80 percent—close to the prerecession level of early 1973.

In summary, employment—as measured by either the household survey or the establishment survey—was at an all-time high in the second quarter of 1976. Gains since year-end have been particularly large and widespread, although in a few industries the employment recovery has not yet begun in earnest. Growth in the labor force during the recovery to date has been above average and is the major reason why the decline in unemployment has been somewhat less than otherwise would have occurred.

## The Employment Situation in Recession and Recovery

1


Percent
(Index, Trough-Quarter 100)
Civilian Labor Force
IV Q. 1973 to II Q. 1976
Average of 5 previous recessions and recoveries
(Index, Trough-Quater 100)
Total Civilian Employment
IV Q. 1973 to II Q. 1976
Average of 5 previous recessions and recoveries
Unemployment Rate
IV Q. 1973 to II Q. 1976
Average of 5 previous recessions and recoveries
Quarters before trough
Quarters after trough

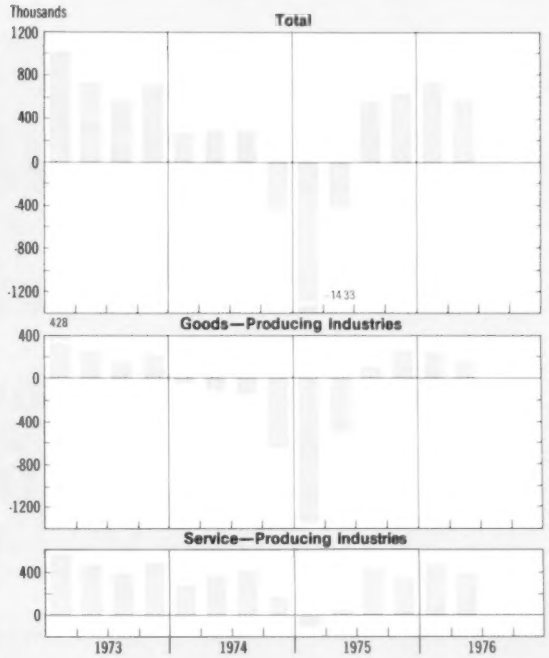
Averages computed on basis of business cycle trough quarters occurring in: IV 1949, II 1954, II 1958, I 1961, and IV 1970.

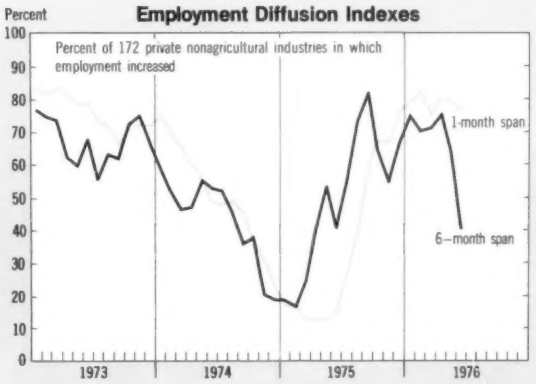
The tentative trough quarter for the most recent business cycle is I 1975.

Prepared in the Office of the Chief Economist from Department of Labor data.

## Changes in Nonagricultural Payroll Employment

2




Source: U.S. Department of Labor

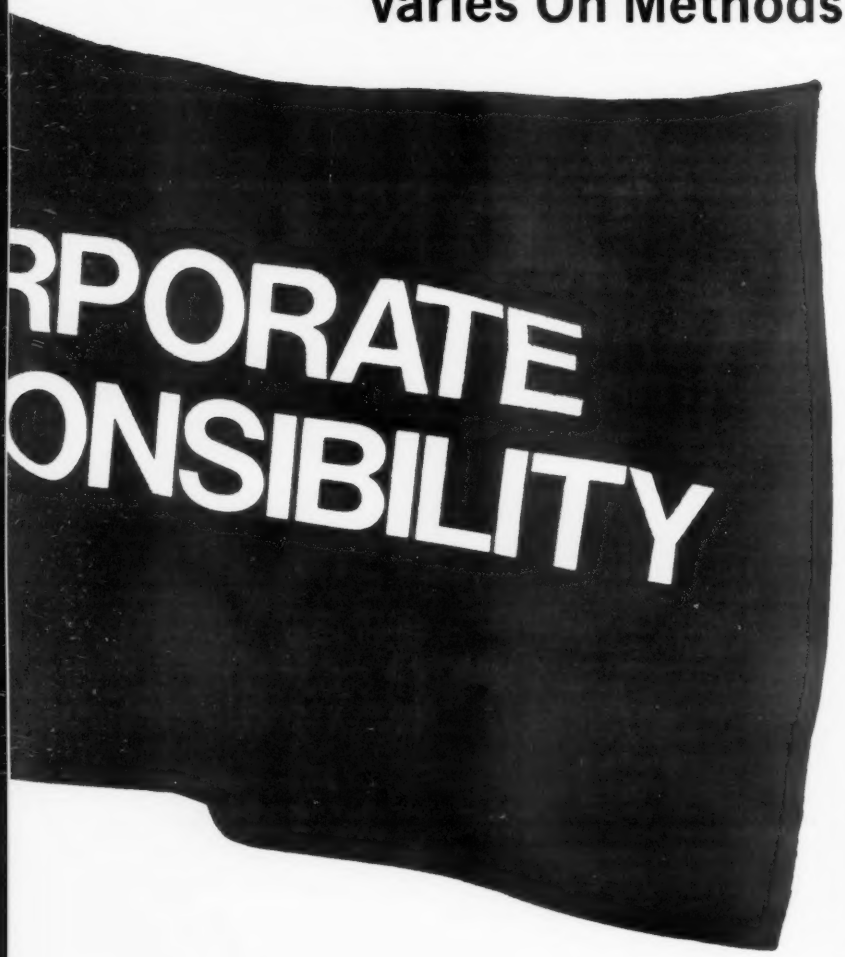
| Nonagricultural Payroll Employment in Recession and Recovery | Change during 1973-75 recession | Change from lowest level or business cycle trough | June 1976 Percent of previous peak |
|---|---|---|---|
| **TOTAL** | **— 3.2%** | **3.5%** | **100.2%** |
| **GOODS-PRODUCING INDUSTRIES** | **—11.5** | **3.8** | **91.9** |
| **MANUFACTURING** | **—11.2** | **4.5** | **92.8** |
| **DURABLE GOODS** | **—13.5** | **5.5** | **91.2** |
| **NONDURABLE GOODS** | **— 9.4** | **4.9** | **95.0** |
| **CONTRACT CONSTRUCTION** | **—18.2** | **0.8** | **82.4** |
| **MINING** | **9.6** | **7.1** | **117.5** |
| **SERVICE-PRODUCING INDUSTRIES** | **— 0.3** | **3.5** | **103.1** |
| **TRANSPORTATION AND PUBLIC UTILITIES** | **— 5.4** | **0.9** | **95.5** |
| **WHOLESALE AND RETAIL TRADE** | **— 1.8** | **3.6** | **101.8** |
| **FINANCE, INSURANCE, AND REAL ESTATE** | **— 0.6** | **2.3** | **101.6** |
| **SERVICES** | **4.3** | **5.2** | **109.7** |
| **FEDERAL GOVERNMENT** | **2.3** | **—0.6** | **101.7** |
| **STATE AND LOCAL GOVERNMENT** | **5.8** | **4.0** | **110.0** |

Changes in series declining during recession are computed between specific cycle peaks and troughs of major industry groups. Changes in series advancing during recession are computed between general business cycle peak and trough, tentatively dated November 1973 and March 1975. For those advancing series, the last column shows the most recent employment data, June 1976, as a percent of the business cycle peak, November 1973.

Source: U.S. Department of Labor

# *Enlightened Social Policy*

## Good Business, Council Agrees; Opinion Varies On Methods




Must American business assign itself a stronger role in helping to solve the problems of today's complex society?

This basic question was the central issue in a recent lengthy discussion of "Corporate Social Responsibility at Home" by Secretary of Commerce Elliot L. Richardson's Advisory Council, a group composed of leaders of industry, academic life, labor and consumer groups.

As might be expected from so diverse a group, they provided many conflicting answers to the questions posed. But there was near unanimity in recognizing that in the long term, enlightened social policy is good business.

It was the first meeting of the group, which Secretary Richardson said would advise him periodically "on the broad policy objectives and goals of the Commerce Department as they affect and influence the basic and underlying issues affecting American society."

Richardson said he had intentionally chosen a diverse group to assure that divergent interests would be heard. He recalled that the framers of the Constitution foresaw that the presence of factional interests in society insured the continued existence of democratic government since, as James Madison observed, a coalition of a majority would be unlikely on any other principles "than those of justice and the general good."

Richardson said a corporation has multiple responsibilities to its shareholders, bondholders, employees, customers, and the community. "These responsibilities are not easy to define," he observed. "But it is obvious that they differ. At times they may even conflict. Fulfilling them requires compromise and trade-offs.

"The corporate obligation to the stockholder—to maximize profits—competes with the equally important obligation to the employee to maintain a safe working environment, to the customer to manufacture a superior product, or to the community to preserve air, water, and soil quality.

"Such considerations are important not only because of growing citizen interest in these issues, but for another more self-serving reason: the proper discharge of corporate responsibilities can reduce the justification for government regulation on behalf of the public, and thereby preserve and enlarge the rights of the corporation."

Discussion of the basic theme of the meeting reflected the varied views of the participants. Management spokesmen pointed to the many actions taken by corporations now to help solve social problems, and stressed the need for a clear definition of the framework in which corporations are supposed to operate. Spokesmen for labor and other

groups insisted that the primary aim of corporations was to maximize profits, and that corporations had responded to social problems only when compelled to do so by law. Some of the points made in the give-and-take of comments included the following:

Richardson commented that some actions taken to alleviate social problems may aggravate other social problems. He referred to a Commerce Department report estimating that environmental requirements as applied to the iron and steel industry would result in a 10 percent increase in the amount of energy used by the industry. In another area, higher occupational health and safety requirements, he added, may result in higher costs to the consumer.

A corporation executive, he said, could reasonably say that he would comply with what was required provided the public, acting through government, would make up its mind as to what it wanted for the common good.

The point was made by several participants that a balance is needed among conflicting demands. Corporations, it was observed, cannot be expected to act unilaterally in dealing with social problems, particularly in highly competitive situations, so that equitable rules should be established for all.

If a corporate action taken to comply with a certain requirement forced the closing of a plant, it was remarked, jobs would be lost, local buying power would diminish, and other businesses and the affected community would suffer.

"The toughest decision that corporate managment has to make," commented Rodney C. Gott, Chairman of the Board, AMF, Inc., White Plains, N.Y. "is to close a plant. When that happens, the guy who gets hurt is the little guy who has nothing to put in his lunch basket.

"I am not afraid of profits. They do the most important thing of all. They provide jobs."

Gott deplored the tendency in some quarters to picture corporate leaders as "the bad guys," as if they were being tried in a court of law. He suggested that business should be taken out of "the category of the whipping boy."

A built-in safeguard exists, he said, so far as corporate responsibility is concerned. The corporation that produces shoddy products, poisons the atmosphere, or operates a sweat shop, he added, will not survive.

Dr. Barry Commoner, Professor of Biology at Washington University in St. Louis, said that the overriding consideration with corporations is maximizing profits. This is not an adequate safeguard against the creation of undesirable side effects, such as bad working conditions, lack of jobs, and an unhealthful environment, he added.

"It will not do any good," he commented, "to insist that things are not all so bad."

Dr. Simon Ramo, Vice Chairman of the Board, TRW, Inc., Redondo Beach, Calif., said a corporation's obligation to its stockholders "in part is to maximize profits," but that this does not necessarily compete with its other responsibilities, such as the need to provide a safe working environment and the like.

Irving Bluestone, a vice president of the United Auto Workers, said he would welcome a change in the traditional concept of corporate responsibility, but that he still believed the pressure on corporation executives to improve their profit margins "will fuzz up the larger picture."

He added that laws had been necessary to force industry to take steps to reduce pollution, to provide a healthful climate and safe working conditions for employees, to introduce emission controls in autos, to eliminate discriminatory practices in hiring, and to introduce other affirmative action programs.

"Industry has to be cautioned constantly by law to advertise honestly," he said.

"In all this, voluntarism didn't work because the immediate pressures were to get the lowest unit cost."

At this point, Richardson commented that the lowest unit cost increased productivity and provided the greatest opportunity on the part of industry to increase wages.

One industry spokesman recalled that a union official was happy about the recent increase in profits by General Motors, since it would enhance the opportunity for more successful collective bargaining.

The Rev. Jesse L. Jackson, Executive Director of Chicago's Operation PUSH, said that, amid all the talk about social good, attention probably should be directed to the common good. One result of the present trend of events, he said, has been the polarization that has occurred among various groups, such as business, labor, and the community.

The Rev. Leon H. Sullivan, Chairman of the Board of Opportunities for Industrialization Centers, Philadelphia, said it should be made costly for corporations to discriminate in hiring practices.

Unless there is more voluntary action on the part of corporations to meet social responsibilities, he said, government will have to intervene to a greater degree. The final outcome, he said, could be socialism.

One corporation spokesman said that if the primary purpose of business was to maximize profits, it was doing a poor job, because the rate of profits had been on the decline for the last 25 years.

Another participant in the discussion suggested

**. . . higher occupational safety and health requirements . . . may result in higher costs to the consumer.**

**Some industry spokesmen felt that business should speak out more affirmatively, that business executives have been too timid . . .**

that incentives which would increase corporate profits should be provided to stimulate greater response to pressing national objectives.

W. Michael Blumenthal, Chairman and President of The Bendix Corporation, said the basic problem results from a highly imprecise definition of what corporation executives should do.

He added that such questions as what are reasonable needs were matters of individual judgment, and that in this context decisions had to be made.

Blumenthal pointed out that corporation executives were faced with changing conditions which were different from what they were a year ago. He suggested that there were only two ways out of the situation. One is for government to define the framework in which corporations must operate responsibly. The other, he said, is to develop in the minds of corporation executives a better understanding of what is required at this time. This is a long educational process which, he suggested, neither government nor unions could accomplish.

"There should be," he said, "a better defined legal environment and better training of executives to understand changed conditions in which they have different constituencies to which they must respond."

Blumenthal commented that many corporation executives tend to take a shorter view of conditions than the present situation warrants.

Dr. Philip Areeda, Professor of Law at Harvard University, said it was clearly a mistake to rely on corporate responsibility to accomplish more than it is capable of doing. Corporate responsibility, he said, is no substitute for legislation and regulation.

"What is the responsibility of the management and directors of an enterprise?" asked Sol M. Linowitz of Coudert Bros., a Washington, D.C., law firm. "It is to assure the soundness and the success of an enterprise.

"I don't know of any good manager who talks about that in terms of maximizing profits for this year or next.

"It seems to me that what a good manager has to do is to look at the enterprise and decide what course of action would be best designed to assure its success in the future.

"Any expenditure which has a legitimate business purpose is justifiable, and that goes far beyond maximizing profits. For example: You support education because you want to get a certain kind of employee out of the schools and universities. You support a symphony orchestra because you want to create an environment for your employees so they will stay with you and not go elsewhere. You support affirmative action programs because you want to keep your customers and not antagonize society.

"In short many of the things we talk about as apart from business are in my judgment an integral part of sound business management.

"This has nothing to do with what a law requires, because if a law requires it you have no opportunity for initiative or choice. If you have a choice you tend to opt for what will serve you best and further your own organization."

Dr. Commoner questioned whether the basic purpose of supporting a symphony orchestra would not be maximizing profits. This led to discussion of the difference between long-term and short-term objectives which in many ways highlighted the basic differences in the Council members' attitudes.

R. Hal Dean, Chairman of the Board and Chief Executive Officer of Ralston Purina Company, St. Louis, stressed the importance of better communication. Some industry spokesmen felt that business should speak out more affirmatively, that business executives have been too timid about speaking out, and too late in doing so, and that when they did speak they were too much inclined to dwell on only one aspect of a matter.

Ms. Carol Tucker Foreman, Executive Director of the Consumer Federation of America, voiced appreciation of the views expressed by industry leaders and asked where they were when her group was trying to get legislation passed by Congress. She deplored industry opposition to legislation in which she was interested.

An industry spokesman said a major effort of business is to introduce moderation into legislation dealing with major social problems that face this nation.

Several speakers said that the main bottleneck in the situation is lack of articulation of what is desired to try to solve problems. Society will have to influence the decisions, it was pointed out, since business firms are in no position to decide what is best for the community. The observation was made that government has been less than imaginative in establishing the framework in which corporations should operate.

Other conferees maintained that the main reason the rate of profit has been falling in the United States is that the productivity of capital has been falling, so that more and more capital is required to produce a given amount of value added.

Secretary Richardson, in commenting on the observations made by the Council, said he would review the record of the deliberations with an eye toward formulation of new departmental policy if needed. ☆

# VENEZUELA

## a priority market

A concerted effort to turn the attention of U.S. firms to the burgeoning Venezuelan market is being launched by Commerce's Bureau of International Commerce (BIC). The first step is publication of a comprehensive new 154-page market survey. This will be followed by a series of business seminars throughout the fall in various U.S. cities and a battery of 1977-78 trade fairs, trade missions, and catalog shows in Venezuela.

Commerce analysts say that the combination of the phenomenal increase in foreign exchange earnings from petroleum sales and the installation of a new, development-oriented government has given the Venezuelan economy a push that is making it one of the world's most dynamic markets. Largely because of the gold-rush climate engendered by the increased oil revenues, 1974 aggregate spending jumped by 17 percent in real terms; and 1975 U.S. exports reached $2.2 million, a 27 percent increase over 1974. For the first five months of this year, U.S. exports increased ten percent, despite a slight decline to Latin America as a whole. The market might have been even larger had the government not resisted spending its new-found wealth too quickly.

"The comprehensive promotion plan for Venezuela is the most exciting new market penetration effort undertaken by Commerce in several years," says Richard Garnitz, Director of BIC's Office of International Marketing. "The combination of market research, the mix of trade events, and the seminars will provide several avenues through which U.S. firms can take advantage of the growing sales opportunities generated by Venezuela's petrodollar spending."

For most of the "Marketing in Venezuela" seminars, speakers will include the Commerce Department's country specialist, an Export-Import Bank loan officer, a banker and a local businessman. The U.S. Department of Commerce and local cosponsoring organizations in the areas in which the seminars are to be held will promote the meetings. U.S. firms, exporters, investors, bankers and individuals interested in the market are invited to participate. To date, sessions are scheduled for St. Louis, Sept.

**TWO-FIFTHS OF GNP—** In 1974, petroleum accounted for 39 percent of Venezuela's gross national product. Photo shows oil wells, Lake Maracaibo.

**While the Venezuelans are long on petrodollars, they are short on the equipment and technology needed . . .**

15; New Orleans, Sept. 21; Chicago, Sept. 22; Dayton, Ohio, Sept. 28; and San Francisco, Oct. 21 (tentative). Commerce District Offices across the country can provide additional information.

An exhibition of food processing and packaging equipment, in which 40 U.S. firms are planning to participate, will be held Sept. 14-18 in Caracas. Other such events will be announced in *Commerce America* as they are scheduled.

The market survey, conducted in Venezuela by research officers of the U.S. Departments of Commerce and State, points out that Venezuela is taking giant steps toward becoming a modern industrial economy in the shortest possible time. The expenditure of billions of petrodollars on planned projects and improvements will affect virtually every aspect of Venezuela's national life.

Under the government's recently set goals and planned massive investments, industry and agriculture share top priority, according to the study. The agricultural goal requires substantial infusions of capital for construction of irrigation works, transportation, storage facilities, and the purchase of farm machinery and equipment. For industrial development, the main emphasis is on basic manufacturing and infrastructure for sustained growth. Steel output will be quintupled. Aluminum output will more than double. Fertilizer and basic chemical production will be stimulated. The restructuring of the automobile industry will raise the percentage of locally manufactured parts from 35 percent to 90 percent. Transportation and communication facilities will be improved to reduce current bottlenecks. Heavy investment is planned in social infrastructure—electrification, medical care facilities, and housing.

Venezuela's 1976-80 National Development Plan calls for investments totaling $52 billion, with the government shouldering a 53 percent share ($27.6 billion). Most of the public financing will come from petroleum revenues and taxes; borrowing on the domestic and international money markets also is expected.

Many of the development goals identified in the Plan will impact on the 13 sectors of the economy covered in the survey: agro-industry, food processing and packaging, petroleum, chemicals/petrochemicals, mining and basic metals, automotive, transportation, communications, electric energy, construction, financial institutions, health care and tourism. The government's plans for many of the sectors are incorporated in the individual chapters.

To American companies seeking expansion in markets abroad, these plans and projects represent real sales opportunities. While the Venezuelans are long on petrodollars, they are short on the equipment and technology needed to bring these plans to fruition. Since little capital equipment is presently produced in Venezuela, most of the necessary hardware will have to be imported. Foreign technology and management expertise will also be required to solve the complex problems of rapid economic development.

Venezuela has become a priority market for virtually every major trading nation in the world. U.S. firms currently occupy the favored position as suppliers to the market. But the French, British, Germans, Japanese and Canadians are making a major export promotion effort. Additionally, countries not usually aggressive in this market—for example, Mexico, Brazil, Argentina, Netherlands, Czechoslovakia, and Italy—are increasing their promotional efforts.

Copies of *Venezuela: A Survey of U.S. Business Opportunities* may be purchased at $2.25 each from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

**FROM PETRODOLLARS TO DEVELOPMENT**—Under Venezuela's 1976-80 National Plan, massive investment will occur in the industrial sector. Aluminum output is growing and is expected to more than double. Photo shows worker at Alcasa plant in Ciudad Guayana preparing aluminum ingots for shipping.

# Energy Digest

SHOWER POWER . . . A flow control device for shower heads to save energy and water has been developed by researchers at Virginia Polytechnic Institute (VPI). Made of acrylic plastic, it comes in three forms easily inserted in shower heads. The average shower uses 8 or more gallons of water per minute. This device cuts the flow to 3 gallons per minute. Average families could save up to $24 per year in energy bills, the developer estimated. A worldwide campaign to market this device through the Lions Club is being planned--proceeds would benefit both VPI academic programs and Lion's charitable work. For more technical information, contact H. L. Routt, Noland Co., 2700 Warwick Blvd., Newport News, Va. 23607. Similar devices are available from hardware and plumbing supply stores.

ENERGY USE DROPS SLIGHTLY . . . Total U.S. energy consumption in 1975 was down about 2.5 percent from 1974, and 4.8 percent from 1973, according to a recent Bureau of Mines report. The major reasons were the economic recession plus higher fuel prices and a comparatively mild winter. The industrial sector led in reduced energy use, down 6 percent from 1974. Next were households and consumers, down about 2 percent each. Transportation and electrical power generation, however, increased total energy use by about .5 percent from 1974 to 1975. Largest energy reductions were in the use of oil and natural gas, but increased coal and nuclear power use took up some of the slack.

SUPER SAVER . . . The Russellville, Alabama, Electric Department has built a demonstration "Super Saver Electric Home" featuring annual heating costs of $100 per year, compared with average costs in the area of $420 per year. It features a heat pump for heating and cooling; double the standard insulation in walls, under floors and over ceilings; double-glazed windows; and reduced window space. For details, contact Robert Stephenson, Russellville Electric Dept., P.O. Box 1148, Russellville, Ala. 35653.

SOLAR FOR BUSINESS BUILDINGS . . . Owners of 11 commercial buildings have been invited to submit proposals to the Energy Research and Development Administration for cost-sharing contracts to cover installation of demonstration solar systems in their buildings. The contracts, if awarded, would provide for competitive selection and installation of solar systems for hot water, space heat, air conditioning, or a combination of these. Basic designs for each of the solar systems were developed by InterTechnology Corp. and by General Electric under contracts that called for competitive selection of locations and buildings that would best advance the national solar demonstration program. Each design can accommodate any of several types of solar collectors that are now on the market, thus providing maximum opportunity for competitive bidding.

TAKE IT EASY . . . Federal Energy Administrator Frank G. Zarb says that Americans should find enough gasoline to meet summer driving needs, but urged motorists to "go easy on the gas pedal" during coming peak-demand months. "Demand for the first quarter of this year and for the month of April was higher than we expected," Zarb said. "And, of course, driving will be heavier during this Bicentennial summer. Although we are not forecasting any gasoline demand that cannot be met, we do urge drivers to obey the speed limit and be frugal in their driving habits." Zarb also said that gasoline prices can be expected to rise about two cents during the summer, which is the traditional seasonal increase.

LISTENING TO EDUCATORS . . . FEA's Office of Conservation and Environment recently held a series of one-day regional seminars to learn how educators felt about teaching the subject of energy and to identify the gaps that existed in direction, materials, or programs. Conducted by Educational Testing Service (ETS), Princeton, N.J., each seminar offered members of the education community, environmental groups, and energy companies a chance to be heard. ETS will provide its report on the results of the meetings in August.

PLASTICS INDUSTRY SURVEY . . . A comprehensive study of energy usage and energy conservation methods in the plastics processing industry is being conducted by The Society of the Plastics Industry. A fuel and energy survey has been mailed to the processing members of the industry association. The survey results will be analyzed by SPI to identify areas for additional energy conservation and will provide a baseline from which future improvements in energy usage can be evaluated. SPI ultimately plans to supply results, in the form of a manual, as a further service to its processor members, so that they may implement the suggested energy-saving procedures. Plastics processors who are not members of SPI are welcome to participate, and may request survey forms from John Lawrence at the association's headquarters at 355 Lexington Ave., New York, N.Y. 10017.

# Domestic Business Report

# 'Business Statistics' Reflect Life In U.S.

## REFERENCE VOLUME SHOWS ECONOMIC EFFECTS OF CHANGING NATIONAL TASTES, HABITS

Everything in American society is reducible to figures, it seems. And Commerce publishes one of the more useful compilations.

To find out how changes in matters that concern us—economic conditions, tastes and fashions, health—are reflected in business statistics, Americans can turn to the just-published *Business Statistics 1975*, a basic reference volume released biennially by Commerce's Bureau of Economic Analysis.

At first glance some of the figures show a lot of improvement: per capita disposable income increased 140 percent between 1960 and 1974. At second glance the improvement shrinks, as only one-third of the increase remains after taking inflation into account.

As the U.S. population increased 17 percent in the 1960-74 period, Americans in 1974 bought nearly three times more air conditioners, six times more dishwashers, and two and one-half times more vacuum cleaners than they did in 1960.

In part, they paid the bill by borrowing. Consumer installment debt increased fourfold in the same time span.

Inflation has hit some areas much harder than others. While new car prices increased 12 percent, charges for public transportation increased 80 percent in the 1960-74 period. Sales of new cars increased 45 percent over the same time span while the number of passengers carried by public transit dropped 25 percent.

While consumers faced a 40-percent increase in rent, the Consumer Price Index registered a 90-percent increase in its homeownership component. That change may have been partly reflected in housing starts, which showed a 10-percent decline in single family homes while starts of multifamily dwellings were 75 percent higher in 1974 than in 1960.

Prices of men's shoes rose nearly at double the rate for women's shoes from 1960 to 1974. Over the same period, domestic shoe producers saw production decline 25 percent.

Changing fashions may go a long way toward explaining the 20-percent drop in the number of men's suits sold over the same period.

Changes in prices and in Americans' diets show up in a 30-percent drop in butter production and a 41-percent increase in margarine production between 1960 and 1974.

Despite widespread anti-smoking publicity, cigarette production increased 60 percent between 1960 and 1974.

*Business Statistics* provides historical data from 1947 to 1974 for the 2,500 series that appear in the statistical section of the *Survey of Current Business*, a monthly magazine of the Bureau of Economic Analysis.

This twentieth edition of the biennial publication, contains revised gross national income and product accounts data. The data for the national income and product accounts reflect the recently completed benchmark revisions. Also included are data on U.S. international transactions, plant and equipment expenditures, business sales, business inventories and orders, prices, employment and unemployment, construction, banking and finance, transportation, and many other industries and commodities.

Annual data for most of the series are shown back to 1947. Quarterly data are provided back to 1964, and monthly figures are shown back to 1971. For about 400 of the more important series, monthly or quarterly data back to 1947 are also shown in an appendix.

The 1975 edition, like its predecessors, provides the key to the statistical pages in the *Survey of Current Business* by carrying explanatory notes which define terms, give the sources of the data, and describe methods of compilation. Included is a detailed index to the statistical series. The 392-page book is available for $5.10 from the Superintendent of Documents, GPO, Washington, D.C. 20402.

## Treat Computer Data As Tangible Resource, Executives Are Told

U.S. business executives should start treating their computer data just like they do their other tangible resources.

That is the message of the proceedings of the second national symposium on the management of data elements in computer processing.

The symposium's theme was the need to recognize data as a tangible resource and to apply management methods equivalent to those controlling other valuable resources.

The 278-page proceedings of the symposium, published recently by Commerce's National Bureau of Standards, contains 28 technical papers on data management and standardization in such diverse areas as resource management, role of the data manager, communications needs for data standards, data dictionary/directory systems, product coding, use of check characters, data elements in bibliographic data bases, coding for clinical medicine, data standards for education, and data base management systems.

Co-sponsored by NBS and the American National Standards Institute, the symposium was attended by more than 300 representatives of government, industry and academia from 29 states and three foreign countries.

The symposium proceedings may be obtained from the National Technical Information Service, Department of Commerce, 5285 Port Royal Road, Springfield, Va., 22151. The price is $9.25. Refer to report number PB-249-530. They are also available in microfiche for $1.45.

## MONTHLY REPORT TO INCLUDE ALL FEDERAL STATISTICS

The Federal Government is bringing together the statistical output of all its departments into a single monthly publication.

In announcing publication of the first issue of *STATUS, A Monthly Chartbook of Social and Economic Trends,* President Ford called it a document of tremendous positive potential for businessmen, economists and other Americans with a need to know the tremendous volume of statistical information available from their national government.

"STATUS encompasses the output of up to 20,000 federal statisticians, reduced to chart form, and covering the critical domestic statistics of all aspects of American life—economic, social and political," he said.

"For the first time, this information will be made available to the American people in one consolidated publication. Up to now, most of this material has been issued through numerous separate departmental and agency publications."

The publication had its origin a year ago when major federal statistical agencies began to prepare a selection of computer-drawn charts as a briefing reference at the request of the President.

"I was so impressed with the usefulness of the material being produced that I decided, if these facts were available to the American people and distributed throughout the Federal Government on a monthly basis, both the public and the whole government would mutually benefit," the President said.

"STATUS will encourage . . . broader use of statistics by systematically bringing together critical domestic information from all federal agencies and expressing it in clear and easily understandable chart form," the President added.

Included in the first issue of STATUS are charts covering such standard indicators as the gross national product, employment and unemployment, personal income, and the consumer price index. In addition, there are charts and tables showing U.S. population projections, labor turnover, characteristics of women, housing trends, criminal justice expenditures, and voter participation in elections.

A special 15-page bicentennial feature in the first issue reviews historical U.S. statistics on population, agriculture, employment, and other subjects from Colonial times to the present.

To compare developments in the U.S. with other industrialized countries, comparative data on items such as unemployment and prices are also included.

Although Commerce's Bureau of the Census has the responsibility of preparing the magazine for publication each month, the contents are selected with the aid of two committees—a technical committee and a smaller editorial committee consisting of representatives from nine federal agencies.

The first three monthly issues available in July, August, and September will be sold as single issues (at $3.60 each), and may be ordered from Subscriber Services Section (Publications), U.S. Bureau of the Census, Washington, D.C. 20233.

## Productivity Session Slated For St. Paul

Commerce's series of conferences on improving business productivity will reach the Upper Midwest with a July 21-22 meeting at St. Paul's Radisson Hotel.

Commerce officials will join industry experts in discussions aimed primarily at helping small and medium-sized firms monitor their output of goods and services, with an eye toward more effective use of resources.

The conference will offer attendees a choice of more than a dozen workshops on improving worker productivity in specific environments, ranging from stock rooms to banking, manufacturing and administration.

Speakers will include Professor Norman J. Simler, University of Minnesota, on "Productivity, Wages, Prices and Profits;" Leon Skan, regional representative, National Center for Productivity and Quality of Working Life, "Improving Productivity through Labor-Management Cooperation;" Bart Reitano of the Small Business Administration, "Financing Productivity Improvement in Small Businesses;" John McClure, corporate productivity administrator, "Structuring Your Organization for Productivity Improvement;" and L. W. Binger, director, Small Business Council of the St. Paul Area Chamber of Commerce, "The Need for Management Commitment."

In addition, two Commerce Department officials will offer a seminar on productivity measurement systems.

The conference is part of a nationwide series with Commerce Department participation that is being held to provide businessmen with opportunities to learn new productivity improvement techniques and discuss their application.

Because of industry's interest in the subject, the Office of the Ombudsman has prepared a series of bulletins on productivity that are available through Commerce's district office in Minneapolis or from the Office of the Ombudsman, U.S. Department of Commerce, Washington, D.C. 20230.

Reservations for the conference or for the workshops—as well as further information—are available from Ross Azevedo, Employer Education Service, University of Minnesota, Minneapolis, (612-373-4123 or 5391).

## How To Handle Customer Complaints Outlined In Book

A new handbook on dealing with the increasing number of customer complaints has just been issued by Prentice-Hall. The *Customer Service Manual—With Model Letters and Forms* contains more than 200 model letters that will aid in handling any request or inquiry quickly and courteously.

Covered are such problems as: what to say when a customer insists on a cash refund instead of a replacement, how to deal with a customer who has been overcharged, how to keep letters from acquiring a "computer look," and how to go about building goodwill in customers.

The book is available from Prentice-Hall, Inc., Attn.: Ms. Blossom K. Israel, Englewood Cliffs, N.J. 07632, priced at $14.95.

## Travel Advisory Board Gets Three New Members

Three new members have been appointed to the Travel Advisory Board (TAB) by the Secretary of Commerce. The TAB provides guidance and recommendations to the Secretary and the United States Travel Service (Commerce's tourism-promotion agency) on ways of increasing international travel to the United States.

The new appointees are: Edward J. Driscoll, president of the National Air Carrier Assn.; W. James Host, executive vice president of the National Tour Brokers Assn.; and James P. Low, president of the American Society of Association Executives.

Driscoll, former Deputy Assistant Secretary of the Air Force for Transportation and Communications, also served as executive director of the Civil Aeronautics Board. He has been vice president of World Airways.

Host, who heads his own public relations and advertising firm specializing in travel and tourism development was Commissioner of Kentucky's Departments of Public Information and Parks.

Low was for ten years manager of the association department of the Chamber of Commerce of the United States.

# HIGHER PRODUCTIVITY HINGES ON PRECISE MEASUREMENT TOOLS

**PRODUCTIVITY TOOL**—*Training has been shown to increase productivity, by improving employee skill and motivation. This instructor is describing a steel plate layout for shipyard workers at the Airco Technical Institute in Baltimore.*

Almost everybody agrees that productivity is a good thing for the American economy. Here is what the National Center for Productivity and Quality of Working Life sees as the most crucial factors affecting productivity:

- human resources—the level of health and education, skills, ingenuity and dedication of all people involved in the production of goods and services;
- technology and capital investment; and
- government regulation.

In an effort to stimulate action on improving productivity, the National Center held a conference in Washington, D.C., recently to discuss the effect of measurement on productivity improvement. Cosponsors were the Departments of Commerce and Labor and the National Science Foundation, which funds research on productivity measurement.

The Center is pursuing "a national policy for encouraging productivity growth consistent with the needs of the economy and natural environment, and the needs, rights and best interest of management, the work force and consumers." Its objective is improving the conditions under which technology and other productivity enhancing innovations can take place. This includes such activities as encouraging labor-management cooperation. The Center also plans to recommend changes in government regulations that will improve productivity without compromising legislative intent.

Former Commission Vice-Chairman Donald C. Burnham, of Westinghouse Electric Corp., stressed the importance of measurement in achieving a consistent rate of productivity improvement in all sectors of the economy.

According to Burnham, "Specific measurement of productivity is needed to make choices between alternative methods; to justify expenditures for projects; to judge performance of existing systems; to inspire competitive action; and to promote productivity improvement."

He expressed a belief that both the government and trade associations can play a role in stimulating more interest in measurement.

Other speakers and their topics included: Irving H. Siegel, advisor to the director of Commerce's Bureau of Domestic Commerce, Measuring Company Productivity; Jerome A. Mark, assistant commissioner for productivity and technological development, Bureau of Labor Statistics, U.S. Department of Labor, Measuring Industry Productivity; Marvin E. Gantz, Jr., executive vice president-mill products, Aluminum Company of America, Productivity Measurement at Alcoa; and Gerald E. Peck, executive vice president, National-American Wholesale Grocers Association, Measurement of Warehousing Productivity.

Siegel cited the opportunity trade associations have to contribute to improvement of national productivity by encouraging their members to adopt measurement programs. He urged them to promote the standardization of concepts, data and methods, and compile and disseminate comprehensive industry measures from company figures.

"An early benefit of productivity monitoring is the heightening of employee awareness of the desirability of improved performance," according to Siegel. "Measurement can help management to locate and diagnose operational dysfunctions and to appraise the consequences of remedial action."

Where industry statistics are also available, Siegel sees this as enabling a company to rate itself against the competition. In addition, he gave other uses for company figures: "the administration of incentive-pay programs; facilitating constructive dialogue between management and labor; and decision-making, policy formulation, and planning with regard to production, employment, marketing, and the acquisition and utilization of capital equipment and space."

According to Siegel, "Whether measurement is confined to departments or is broader in scope, the team responsible for installing and maintaining the system should preferably include a mix of relevant disciplines and enjoy high-level support. Without high administrative commitment, a measurement program is likely to wither; and, while it exists, it is more likely to be a toy than a tool."

Jerome Mark discussed the Bureau of Labor Statistics' figures and the uses to which they can be put. "When used in conjunction with other industry data, the productivity indexes assist in understanding changes in manpower utilization, projecting future manpower requirements, analyzing trends in labor costs, comparing productivity progress among countries, and examining the effects of technological improvements on industry employment and unemployment."

The BLS provides annual labor productivity measures for individual industries. At present, statistics are available for some 50 industries in the manufacturing, mining, transportation, communications and service sectors.

According to Mark, "The most striking thing that the indexes for the 50 industries illustrate is the wide variability that exists in the productivity growth rates among industries . . . for 1969-74, when the output per manhour for the entire private sector grew an average of 2 percent per year, the industry movements ranged from a high of a 10.4 percent per year gain for synthetic fibers to a low of a 4.6 percent per year decline for bituminous coal and lignite mining.

"The productivity rates in this period were strongly affected by cyclical changes. Short term movements in productivity generally are sensitive to changes in output which are reflections of changes in demand. . . . Longer term movements in

productivity, however, reflect more fundamental changes. New technology, new and different capital inputs, and changes in the quality and composition of the work force are the major determinants of secular changes in labor productivity."

Mark pointed out ways the industry productivity indexes can be useful to companies: "They can serve as a benchmark for companies to gauge their productivity change in relation to that of the industry that they are part of . . . The comparison, however, is only the first step—a sort of triggering mechanism—calling for more analysis as to why and what can be done about it . . . The industry productivity indexes can also be useful to firms and to trade associations as an aid to forecasting trends of the expected patterns for an industry."

Marvin E. Gantz, Jr., of Alcoa, sees increasing production of goods and services as one of the best ways to fight inflation, and increasing the output per unit of human time as "really the most effective and immediately obtainable method for reducing costs in business."

In discussing the attempts at Alcoa Mill Products Division to improve productivity, he told of the company's shock to discover that "although output per manhour in Alcoa had increased 20 percent from 1958 to 1965, the increase in the industry for this same time period was about 60 percent."

This stimulated management to action. They established measurement standards and began tracking productivity change.

Since 1968, according to Gantz, "output per manhour in Alcoa's Mill Products has increased more than the output per manhour of the aluminum rolling and drawing industry as a whole."

Among the elements listed by Gantz for increasing productivity are money for new and improved equipment, technology input from research and development, and modification of operating practices and crew sizes.

Gantz added a final word of caution in regard to environmental goals and government reporting practices, urging a "balance between economic, environmental and energy requirements."

Gerald E. Peck of National-American Wholesale Grocers' Association (NAWGA) told how his organization helps its members, wholesale grocery distributors, to monitor their productivity. NAWGA's present productivity measurement program covers warehousing. A new program is being developed for performance analysis of the delivery operation. Together, warehousing and delivery are 84.5 percent of total expense of grocery wholesale operation.

NAWGA trains members in collecting data, computerizes it, and provides comparisons with previous years and with other operators of similar sales, physical size, items carried and other conditions influencing productivity.

The essence of the program is its isolation of strengths and weaknesses in basic functions, rather than in overall terms. It is designed as a tool for line management—with a summary report for the chief executive.

## Better-Educated Workers Are More Productive, Ambitious; Have Differing Lifestyles

Today's better-educated U.S. worker is likely to be more productive than his predecessor who didn't go as far in school, but he's also more likely to demand a more challenging job. And his impact on the whole society could be quite a bit different.

High school graduates now make up more than half of all workers in eight of the 10 major occupational classifications for men and 9 out of 10 occupations for women workers, says a new report from Commerce's Bureau of the Census.

In 1950 none of the "blue collar" occupations had a majority with a high school diploma. By 1975, a majority of the workers in all major job groupings had finished four years of high school or more, except for male laborers and female equipment and vehicle operators.

The large and rapid increase in the educational level of workers may have important consequences for future employment of persons with lower levels of education, the report theorizes. Employees with more education are expected to be more productive and to require less training than those with less schooling. On the other hand, workers who have spent 12 or more years in formal schooling may become dissatisfied with jobs which require fewer skills. Already, 41 percent of male laborers and 52 percent of female laborers have completed four years of high school or more.

The report identifies several other educational trends in the 25-year span from 1950 to 1975:

- High school graduates constituted one out of three of all adults 25 years of age or older in 1950, compared to two out of three in 1975;
- One out of 14 adults had completed four years of college in 1950, but in 1975 that proportion was one out of seven;
- Even though the size of the adult population increased by a third since 1950, the number of persons with less than four years of high school went down by approximately a fifth;
- Nearly four times as many black men had completed college in 1975 as in 1950.

These trends also create potential economic, social, and political implications:

—Spending patterns and tastes may change as the educational level of consumers rises;

—The number of years of schooling completed by those entering the labor force influences the types of jobs they seek and for which they qualify; and

—The proportion of persons who vote is largest among those in the upper education levels.

Detailed statistical tables in this report present data on years of schooling completed by the U.S. population in 1975 cross-classified by age, sex, race, Spanish origin, type of residence, and occupation.

Copies of the report, *Educational Attainment in the U.S.*, P-20, No. 295, may be obtained for $1.55 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from Commerce District Offices in major U.S. cities.

## Sport Fishing's Economic Impact To Be Measured

The fish story, wherein the only limits were imposed by the teller's imagination or conscience, may be passing from the scene. Precise measurement may be coming to the recreational fishing industry!

The effects of marine recreational fishing upon this country's economy will be studied under a National Oceanic and Atmospheric Administration (NOAA) contract issued recently.

As sportfishermen use fishing equipment, boat rentals, motors, camping equipment, food and lodging, the survey will identify and evaluate the commerce created by the sale of these items.

The $70,329 contract, awarded by NOAA's National Marine Fisheries Service, will be completed in the spring of 1977.

Sources of information will include sampling surveys of supplies of goods and services from origin to point of sale. Other data may be supplied by state and public agencies, private organizations, and trade associations.

Among federal agencies, the NMFS is responsible for the development of conservation and management policies for marine fisheries resources for both commercial and recreational purposes. Over the years, a considerable body of knowledge has accumulated on the economics of commercial fisheries, but relatively little on recreational fishing.

The end product of the study will be a comprehensive document of the scope and value of marine recreational fishing in the United States.

## YOU'RE NEVER TOO OLD TO LEARN BOAT SAFETY

Familiarity can breed contempt on the water as well as in personal relationships, but often the results are more tragic.

Most motorboat operators involved in collisions or grounding accidents are not newcomers to the water, according to Commerce's National Oceanic and Atmospheric Administration.

A profile of the accident-prone boater, drawn from more than 4,500 collisions or groundings reported to the Coast Guard last year, shows that the operator was between 26 and 50 years old with over 500 hours operating experience. In more than half of the accidents reported, he or she was operating a fiberglass open motorboat between 16 and 26 feet in length with an outboard engine of over 75 hp.

The Loran-C chart program is one of a number of NOAA programs taken to advance boating safety and to assist recreational boaters, fishermen and commercial shipping.

NOAA's National Ocean Survey has updated and printed new editions of approximately 550 nautical charts. In addition, four new charts, one reconstructed chart and one new training chart were published, and the limits of two charts were extended.

To help prevent collisions, traffic separation schemes implemented by the U.S. Coast Guard to separate inbound and outbound traffic were added to the following charts: Strait of Juan de Fuca, Puget Sound and the Strait of Georgia, Wash.; Prince William Sound, Alaska; and the Delaware-Cape Henlopen approach to Delaware Bay was realigned. In addition, safety fairways in the approaches to Corpus Christi, Tex.; Pensacola Bay, St. Andrews Bay, Port St. Joe, Charlotte Harbor and Tampa Bay, Fla., were revised.

In a further effort to promote boating safety, NOAA's marine centers in Norfolk, Va., and Seattle, Wash., are sponsoring Cooperative Charting and Chart Updating Seminars for leaders of the U.S. Power Squadrons and U.S. Coast Guard Auxiliary to equip them better for volunteer investigations in support of its nationwide chart correction programs.

A new training manual on Cooperative Charting has been prepared by the U.S. Power Squadrons with technical advice from the National Ocean Survey. It is designed to help volunteer observers of the U.S.P.S. in chart deficiency survey activities and to improve volunteer chart correction work, thus fostering safer navigation through up-to-date nautical charts and related publications.

The National Weather Service also plays a major role in the program to increase boating safety. This NOAA agency prepares forecasts for shore areas of the U.S. every six hours, or more often when conditions are changing rapidly. Forecasts cover specific coastal areas, such as Block Island, R.I., to Manasquan, N.J. When strong winds or hazardous seas are anticipated, these forecasts include statements of the degree of hazard and the areas where warning signals will be displayed. Similar forecasts and warnings are issued for the Great Lakes and many inland lakes, reservoirs and waterways.

Boaters also receive pertinent weather information over commercial radio and TV. Most stations in coastal regions make a special effort to answer the needs of boaters and shipping in their weather forecasts.

In a growing number of shore areas, weather information can now be received through VHF-FM radio stations operated by the National Weather Service. The more than 60 stations along the coastal areas are on the air continuously, repeating taped weather messages every four to six minutes, 24 hours a day, seven days a week. Tapes are updated periodically, usually every two to three hours, and revised also to meet fast-changing weather. Special receivers or tuners are required, since the weather forecasts are made on 162.40, 162.475, and 162.55 MHz.

As a supplement to NOAA Weather Radio, the U.S. Coast Guard broadcasts the National Weather Services forecast four times a day from strategically positioned stations along the coast.

In addition to its long-range weather broadcasts, the Coast Guard has 54 Coast Guard stations broadcasting with short-range VHF-FM radio transmitters. Other information available to the mariner is from the National Bureau of Standards time signals which are broadcast worldwide by stations WWV (Ft. Collins, Colo.) and WWVH (Kauai, Ha). Imposed on the time signal for certain portions of each hour is storm information for deep water vessels.

The National Weather Service has also established a more widespread distribution of its *Marine Weather Services Charts*, which list weather information for various coastal areas and the Great Lakes. These charts are available from the National Ocean Survey's nautical chart sales agents.

The National Marine Fisheries Service is again making available to commercial fishing vessels safety placards on how to deal with emergency problems at sea. The placards will be suitable for posting aboard the vessels.

## Voluntary Labeling Comment Deadline Extended To Aug. 2

The Department of Commerce has extended from July 9 to August 2 the deadline for receiving written comments on its proposed voluntary program to label consumer products for key performance characteristics.

Any comments postmarked August 2 or earlier will be accepted.

The proposed program, outlined in a Federal Register notice on May 25, is designed to make purchase decisions easier for the consumer by providing pertinent performance data at the point of sale. One possibility would be a tag or label giving the performance characteristics. Selected consumer products not covered by other federal programs would be included.

Three informal public hearings were held in Los Angeles, Chicago and Washington during June to receive comments. At these hearings a number of persons requested additional time to prepare written comments.

Such comments, in four copies, should be addressed to Dr. Betsy Ancker-Johnson, Assistant Secretary for Science and Technology, Room 3862, U.S. Department of Commerce, Washington, D.C. 20230.

## Standards Catalog Available On Request

The American National Standards Institute (ANSI) is publishing its *1976 Catalog of American National Standards.*

This 200-page publication contains the titles and prices of thousands of U.S. voluntary standards, covering construction, chemical, electrical, materials handling, medical devices, paper, rubber, safety, textiles, and many other fields. Also included are cross-referencing with international standards, and lists of ISO (International Organization for Standardization) publications, IEC (International Electrotechnical Commission) Recommendations, CEE (International Commission on Rules for the Approval of Electrical Equipment) Specifications, and special ANSI publications.

There is no charge for this catalog, which should be of substantial use to public and private organizations interested in standards writing, laboratory testing, quality assurance, and safety.

Write to Publications, American National Standards Institute, 1430 Broadway, New York, N.Y., 10018.

Overseas sales of ANSI standards are normally made through the national standardizing bodies of each country.

## SYSTEM SEEKS MEANS TO GIVE NEW DRUGS TIGHTER SCRUTINY

New U.S. drugs will be receiving much more thorough scrutiny for possible side effects.

The Food and Drug Administration (FDA) and Commerce's National Bureau of Standards (NBS) have announced a million dollar joint project to develop systems for monitoring newly-approved medicines for unwanted reactions. The systems would help FDA uncover previously unsuspected adverse effects more quickly than is now possible.

The Food and Drug Administration's Bureau of Drugs regulates pharmaceuticals to assure their safety and efficacy both before and after marketing.

Before FDA approves a new drug, it has been tested extensively in animals but at most in only a few thousand people. If three phases of human testing are satisfactorily completed, FDA approves a New Drug Application which allows broad marketing of the drug.

When a drug is first marketed, the number of people exposed to it increases abruptly from the few thousand who received it while it was under investigation to tens or hundreds of thousands.

After marketing, there is no large scale structured system for collecting information on the adverse effects of new drugs. Instead, FDA relies on spontaneous reporting by physicians and on published reports in the medical literature. However, since this reporting relies on a physician's ability to relate a morbid event to a prescribed drug taken by the patient. years may go by before a new reaction is recognized. At least six drugs can be named for which adverse reactions with a latency period of a few hours to 20 months were not known over one, two, or more years.

A few drugs have been monitored for adverse reactions following their introduction (e.g. L-Dopa and methadone), but on a very small scale. These studies were agreed to by the manufacturers as a condition of approval.

Little is known about the costs and effectiveness of post-marketing surveillance systems. But legislation has been proposed which would, among other things, authorize FDA to require post-marketing surveillance for particular drugs. Clearly the agency could better use such authority if it has already tested actual systems of surveillance.

The Experimental Technology Incentives Program (ETIP) of the National Bureau of Standards is providing the funds and policy experiment design advice so that FDA can conduct the experiment. ETIP's primary mission is to facilitate changes in government policy that will lead to an improved environment for innovation and use of new technologies. Because ETIP designs and conducts scientific policy experiments, it is able to develop federal policy alternatives based on actual experience rather than speculation. One of its major areas of investigation is regulatory policy.

Consequently, the purpose of this project is to determine the technical implications of post-marketing surveillance through design and testing of surveillance systems.

The project will identify mechanisms by which newly-approved drugs can be monitored for potential adverse effects for a few years after introduction to the market. Hopefully, these mechanisms will produce reliable data more rapidly than existing systems.

Alternative systems can be designed, with variations in choice of doctors to report, numbers of patients monitored, method of encouraging reporting, and so forth. The criteria for choosing drugs to be monitored might include their therapeutic importance and likely risks, as well as expected conditions of use.

FDA will conduct the experiment in two segments under one or more contracts awarded through open competition. The first segment is analysis of technological and policy factors associated with post-marketing surveillance of drugs, and will result in suggestions for the design of surveillance systems. A two-year field test of one or more systems for post-marketing surveillance will follow.

"We are pleased to be able to assist FDA in this project," said Dr. Jordan Lewis, director of ETIP. "We hope that it will lead to an improved regulatory policy that benefits all citizens."

## FEA Guidelines Aid State Energy Programs

The Federal Energy Administration has issued proposed guidelines to assist the 50 states, the District of Columbia, and five U.S. territories in preparing plans for energy conservation programs. The states and territories must submit such plans to qualify for FEA financial assistance.

The overall goal for each state and territory will be a 5 percent reduction in energy consumption projected for 1980. In adition to technical assistance, FEA will provide $5 million to the states and territories this year for developing energy conservation plans. Additional funds—possibly as much as $50 million each year—are expected to become available in fiscal years 1977 and 1978 for implementing the plans.

FEA said each state will be asked to provide a detailed description of its program plus an estimate of energy savings. To be eligible for financial assistance, each plan also must include:

- Mandatory lighting efficiency standards for non-federal buildings;
- Programs to promote the availability and use of carpools, vanpools and public transportation;
- Mandatory standards and policies relating to energy efficiency to govern the procurement practices of a state and its political subdivisions;
- Mandatory thermal efficiency standards for new and renovated non-federal buildings;
- A traffic law or regulation which permits motor vehicles to turn right at a red light after stopping, unless specifically prohibited by a traffic sign.

## Over 215 Million Americans Celebrated 200th Birthday

On its 200th birthday, the U.S. population was estimated to be 215,667,979 at 8:30 a.m., EDT, July 4, 1976. We've come a long way since the 2.4 million residents of 1776 clustered largely along the Eastern Seaboard.

The population is currently increasing by one every 21 seconds as a result of a birth every 10 seconds, a death every 16 seconds, the arrival of an immigrant every 81 seconds, and the departure of an emigrant every 15 minutes.

The table below shows the population as it was tabulated for each decennial census starting with the first in 1790. It includes Alaska since 1870 and Hawaii since 1900.

| Year | Population |
|---|---|
| 1970 | 203,235,298 |
| 1960 | 179,323,175 |
| 1950 | 151,325,798 |
| 1940 | 132,164,569 |
| 1930 | 123,202,624 |
| 1920 | 106,021,537 |
| 1910 | 92,228,496 |
| 1900 | 76,212,168 |
| 1890 | 62,979,766 |
| 1880 | 50,189,209 |
| 1870 | 38,558,371 |
| 1860 | 31,443,321 |
| 1850 | 23,191,876 |
| 1840 | 17,069,453 |
| 1830 | 12,866,020 |
| 1820 | 9,638,453 |
| 1810 | 7,239,881 |
| 1800 | 5,308,483 |
| 1790 | 3,929,214 |

## Commerce Continues Petroleum Export Quotas For Third Quarter 1976

Export controls on petroleum and petroleum products will be continued for the third quarter of 1976. The Commerce Department initially placed controls on these commodities in December 1973, as a result of supply curtailments imposed by oil-producing countries.

Export quotas for the third quarter on petroleum products under quantitative restrictions are limited to historical export levels and are set at a total of 9.5 million barrels, or 103,624 barrels a day.

Details of the actions and country quotas are contained in Export Administration Bulletin No. 159, effective July 1.

In announcing the continuation of the controls the Department found that such action was appropriate and consistent with the national interest and the purposes of the Energy Policy and Conservation Act. The Department also announced that further regulations are being developed to implement the Act and will be promulgated in the near future.

Exporters were reminded of the provision of the Naval Petroleum Reserves Production Act of 1976 which prohibits the export of petroleum produced from the naval reserves. Regulations to administer that provision are being drafted. They will be published in a subsequent Export Administration Bulletin.

## Ad Agencies Get Contracts To Promote Tourism To U.S.

Commerce's United States Travel Service (USTS) estimates that 87 percent of international visitors to the United States come from six countries. In an effort to reach more potential travelers in these countries, USTS has signed contracts with six advertising agencies abroad to carry out programs in Canada, Mexico, Japan, the United Kingdom, West Germany and France.

The contracts, which total more than $2 million, are: Canada, Baker Lovick Ltd.; Mexico, Japan and the United Kingdom, Young and Rubicam; West Germany, Slesina Bates; and France, J. Walter Thompson. The advertising campaigns will run during fiscal year 1977 (Oct. 1, 1976—Sept. 30, 1977).

By contracting with local agencies, USTS hopes to obtain the best possible creative approaches and media buys specially tailored to reach potential travelers in each market.

# Calendar Of Business Events

**July 21-22—St. Paul**—Improving Productivity in Your Organization, Radisson St. Paul. Sponsors: Commerce Dept. and other government agencies. For information, Employer Education Service, 417 Business Administration Bldg., Univ. of Minn., Minneapolis 55455.

**July 23—Duluth, Minn.**—Business Opportunity/Federal Procurement Conference, Arena-Auditorium. Sponsor: Rep. James L. Oberstar. For information, Mr. Jody Kauchick, c/o Rep. Oberstar, 231 Federal Bldg., Duluth, Minn. 55802 (218-727-7474).

**July 26-27—Chicago** — Project Management: Designing the Matrix, Hyatt Regency O'Hare. Sponsor: The Wharton School, Univ. of Pa. For information, Heidi Kaplan, New York Mgt. Center, 360 Lexington Ave., New York 10017 (212-953-7262).

**July 26-28—Washington**—Program Budgeting, Georgetown Univ. For information, Continuing Management Education, SSCE, Georgetown Univ., Washington, D.C. 20057 (202-625-4353).

**July 26-30—Akron, Ohio**—National Energy Forum, Thomas Hall, Univ. of Akron. For information, Dr. Jim L. Jackson, Director, Center for Environmental Studies, Univ. of Akron, Akron, O. 44325 (216-375-7991).

**July 27-28 — Clemson, S.C.** — The New Supervisor, Clemson House, Clemson Univ. For information, Office of Professional Development, Clemson Univ. (803-656-220).

**July 28—New York**—Airline Industry Seminar, Waldorf-Astoria Hotel. For information, Financial Analysts Federation, 445 East 86th St., New York 10028 (212-427-9018).

**July 29-Aug. 1—Woburn, Mass.**—Solar Energy & Energy Conservation Exposition, Northeast Trade Ctr., Rt. 128. Sponsors: New England Council, Commerce Boston Office, others. For information, Tom Munson (617-933-8290 or 935-8090).

**Aug. 1-3—Marlboro, Mass.**—Plain Paper Reprographics, The Learning Center. For information, Institute for Graphic Communication, Inc., 375 Commonwealth Ave., Boston, Mass. 02115 (617-267-9425).

**Aug. 1-6—Chicago** — Chicago Gift Show, McCormick Place, Palmer House & McCormick Inn. For information, Irene Weissman, George Little Mgt., Inc., 261 Madison Ave., New York 10016 (212-986-4700).

**Aug. 2-4—Los Angeles**—Solar Energy for Domestic Heating & Air Conditioning, University Hilton. Sponsor: New York Univ. For information, Heidi Kaplan, see address above.

**Aug. 2-4—Chicago**—Minicomputers, Kellogg Ctr., Univ. of Chicago. Sponsor: Univ. of Chicago. For information, New York Mgt. Center (212-953-7266).

**Aug. 2-4—Chicago**—Systems Analysis & Design, Kellogg Ctr., Univ. of Chicago. Sponsor: Univ. of Chicago. For information, New York Mgt. Center (212-953-7266).

**Aug. 3-5—Washington**—Improving Managerial Skills, Georgetown Univ. For information, see address above.

**Aug. 3-5—Andover, Mass.**—Product Opportunities in the Office of Tomorrow, Institute for Graphic Communication Conference Center. For information, IGC, see address above.

**Aug 6—Cincinnati** — Business Opportunity/Federal Procurement Conference, Stouffer's Cincinnati Towers. Sponsor: Rep. Bill Gradison. For information, Marcia Rusche, c/o Rep. Gradison, Room 8008, Federal Office Bldg., 558 Main St., Cincinnati, Ohio 45202 (513-684-2456).

**Aug. 9-11—Boston**—Project Management, Hotel Sonesta. Sponsor: New York Univ. For information, Heidi Kaplan, see address above.

**Aug. 10-12—Boulder, Colo.**—Symposium on the Simulation of Computer Systems, National Bureau of Standards. For information, Stephen Schobel, FOB4, Room 3107, Bureau of the Census, Washington, D.C. 20233 (301-763-7746).

**Aug. 13—Bangor, Me.**—Business Opportunity/Federal Procurement Conference, Husson College. Sponsor: Rep. William S. Cohen. For information, Mr. Dale Gerry, c/o Rep. Cohen, Federal Bldg., Bangor, Me. 04401. (207-942-8271, ext. 417).

**Aug. 18—Olean, N.Y.**—Business Development Conference, St. Bonaventure University. Sponsor: Rep. Stan N. Lundine. For information, Robert F. Magee, Commerce Buffalo Office.

**Aug. 22-25—Salt Lake City** — Discover America International Pow Wow & Travel Mart, Salt Palace. For information, Peter Cass, Discover America Travel Organizations, Inc., Suite 920, 1110 Connecticut Ave. NW., Washington, D.C. 20036 (202-293-1433).

# Top-Level Committees Discuss Trade Issues

## PRESIDENT'S EXPORT COUNCIL, INTER-AGENCY COMMITTEE MEET JOINTLY FOR FIRST TIME

At the first joint meeting of the President's Export Council and the President's Interagency Committee on Export Expansion, held at the Commerce Department July 13, members of the Council suggested that the United States has failed to develop and pursue a consistent, future-oriented outlook on international trade and investment.

The President's Export Council is a group of corporate chief executives representing multinational corporations. The President's Inter-Agency Committee, representing 13 government departments and agencies, coordinates actions affecting U.S. export performance. Both were created in 1973.

The need for a clear and consistent U.S. international economic policy was articulated by Reginald H. Jones, Chairman of the General Electric Co. The members of the Council stressed the need for realistic rates of currency exchange, stability in tax treatment of foreign source income, greater government efforts promoting exports abroad, and mutually advantageous trade and investment relations with the developing nations.

The issue of whether U.S. Eximbank financing is competitive with the export financing programs of major U.S. competitors—Japan, France, Federal Republic of Germany—was also discussed. Stephen M. DuBrul, Jr., President of the Export-Import Bank, stated that "Eximbank's financing is somewhat less competitive today than it has been, but the recent unilateral declarations on export credit terms should help to improve the Bank's competitiveness."

Secretary of Commerce Elliot L. Richardson, as chairman of the Inter-Agency Committee, co-chaired the joint meeting with Fletcher L. Byrom, chairman of the Council. Richardson agreed with the Council members on the need for the Department's export promotion programs, particularly as they apply to the non-exporting members of the U.S. business community. The question of the beneficial effect that exports and multinational corporation activities have on domestic employment figures was recognized by Secretary Richardson as being fundamental to further dialogue between the Federal Government and the business community. In this regard, he recognized the importance of developing an adequate data base which will show the effects of our trade and investment actions on both the U.S. and world economies.

**FIRST JOINT MEETING**—*More than 30 business and government representatives participated in the President's Export Council and Inter-Agency Committee talks on July 13. Frederick B. Dent, Special Representative for Trade Negotiations (left); Fletcher L. Byrom, chief executive, Koppers Co.; Elliot L. Richardson, Secretary of Commerce; and Reginald H. Jones, Chairman, General Electric, led the joint discussions at the U.S. Department of Commerce in Washington.*

## UPDATED MARKET SHARE REPORTS PROVIDE IMPORT DATA FOR 87 COUNTRIES

Eighty-seven country reports in Commerce's Market Share Reports series have just been released and are now available for sale to U.S. exporters. With this series, the Commerce Department's Bureau of International Economic Policy and Research continues to provide the latest information on imports of manufactured products into the world's leading markets.

This release updates annual reports first published 10 years ago to give American businessmen data on the U.S. share of products imported by foreign nations. The program's success has been demonstrated by the many companies now regularly purchasing the reports for market research use.

These reports provide data in a convenient form on trends in the values of products exported from the United States as well as from our major competitors. Computerized data have made possible the publication of a vast array of information on 880 manufactured products imported over a five-year period in separate reports for 87 nations. Language and currency problems have been eliminated by translation of all foreign information into standard U.S. terminology and dollar values.

Included in the new release are reports for all Western European countries, Japan, Canada, Australia, New Zealand, each of the OPEC nations (except Iraq), many developing nations, and the communist areas. Among the new titles added to the series for the first time this year are reports for Bangladesh, Gabon, and Qatar.

Machinery, transport equipment, chemicals, consumer goods, and other manufactures are covered in detail for each country. Current dollar values (unadjusted for inflation) for imports from the world, the United States, and eight other major sources of supply are shown for 1970 through 1974 for each item. The U.S. percentage share has been calculated for each product.

**Downward trend in Europe**

A sampling of the 87 reports shows a downward trend in the U.S. share of manufactures imported into Western European countries, as measured in current dollars. From 1970 to 1974 the U.S. share of the French import market for manufactured goods contracted from 12 percent to 10 percent, in Germany, from 11 percent to 8 percent, and in the United Kingdom, from 19 percent to 14 percent. In the Far East, U.S. sales of manufactures also accounted for a declining share of certain major markets in this period, notably in Japan where U.S. goods supplied 33 percent of the import market in 1974 compared to 41 percent in 1970. In Taiwan, Singapore, and Malaysia, however, U.S. sales of manufactured products expanded faster than those of its competitors.

American companies searching for new sales outlets can make extensive use of the data for their products in these country reports. The size of the import market, the change in its size in the five-year period, and the market penetration of the United States and other suppliers are shown for each type of manufacture. For example, exporters of construction materials and equipment wishing to explore market potential may be especially interested in the Saudi Arabia report. That country's purchases of steel pipes have risen by $165 million since 1970. U.S. sales, however, increased by only $23 milion, and showed little change in market share. Japan was the primary source. Saudi imports of excavating and leveling machinery increased tenfold in these years, with especially strong sales gains by British and Japanese manufacturers. The U.S. share of the total dropped by a third, despite considerably larger shipments.

A petrochemical manufacturer interested in exporting to Singapore could investigate plastic materials such as polymerization products, manufactured fertilizers, and antiknock compounds. The Singapore report shows that extensive growth occurred in imports of these products. Singapore's development as a manufacturing center and assembly plant for Southeast Asia has resulted in a sizable increase in many other manufactured imports. Capital goods exporters would find a growing market for machine tools, electric power machinery, trucks, and motor vehicle parts.

The report for Venezuela, another OPEC market, shows U.S. exports of copper pipes expanded so sharply that they accounted for over half of the import market and accounted for double their 1970 share. In contrast, a manufacturer of duplicating and addressing machines examining the market data for Brazil would find the 1974 U.S. portion only half the 44 percent registered in 1970. German and Japanese deliveries of such equipment quadrupled, and together accounted for over a third of Brazil's imports.

A rapidly growing market for metalworking machine tools is shown in the Philippine Market Share Report. Although imports of these tools from all sources expanded five times in value, U.S. sales grew twice as fast. The increase in the U.S. portion to 24 percent in 1974 was particularly at the expense of Germany, whose sales, measured in dollars, were unchanged with a consequent sharp fall in share. Japanese manufacturers were able to increase their sales to the point where they supplied almost half of Filipino metal-working machine tool imports.

In addition to the country series, new Commodity Reports are due to be released in late autumn. They will provide data for two additional years, covering the period 1971-75. *Commerce America* will announce the availability of those reports.

**Country reports listed**

Market Share Reports for the countries listed below may be obtained for $4.40 each by writing to the National Technical Information Service, Springfield, Va. 22151. To order, the prefix "PB 251460-" should be added to the country numbers. Reports on countries preceded by an asterisk are based on import data. The remainder, for countries that do not publish up-to-date statistics capable of translation into standard nomenclature, are based on export data of the United States and the 13 other major industrial nations.

Algeria, 5001; Argentina, 5002; *Australia, 5003; *Austria, 5004; Bangladesh (1973-74 data only), 5083; *Belgium-Luxembourg, 5005; Bolivia, 5006; *Brazil, 5007; Bulgaria, 5077; Cameroon, 5008; *Canada, 5009; Chile, 5010; People's Republic of China, 5076; Colombia, 5011; Costa Rica, 5013; Cuba, 5085; Czechoslovakia, 5078; *Denmark, 5014; Dominican Republic, 5015; Ecuador, 5016; *Egypt, 5068; El Salvador, 5017; Ethiopia, 5018; *Finland, 5019; *France, 5020; Gabon, 5086; *Federal Republic of Germany, 5021; Democratic Republic of Germany, 5079; Ghana, 5022; *Greece, 5023; Guatemala, 5024; Honduras, 5025; *Hong Kong, 5026; Hungary, 5080; India, 5027; *Indonesia, 5028; Iran, 5029; *Ireland, 5030; *Israel, 5031; *Italy, 5032; Ivory Coast, 5033;

Jamaica, 5034; *Japan, 5035; Kenya, 5036; *Republic of Korea, 5037; Kuwait, 5038; *Lebanon, 5039; Liberia, 5040; *Libya, 5041; Malaysia, 5042; *Mexico (1969-73), 5043; Morocco, 5044; *Netherlands, 5045; *New Zealand, 5046; Nicaragua, 5047; Nigeria, 5048; *Norway, 5049; *Pakistan, 5050; Panama, 5051; Peru, 5052; Philippines, 5053; Poland, 5074; *Portugal, 5054; Qatar, 5084; Rhodesia, 5087; Romania, 5081; Saudi Arabia, 5055; *Singapore, 5056; South Africa, 5057; *Spain, 5058; *Sweden, 5059; *Switzerland, 5060; Taiwan, 5061; Tanzania, 5062; *Thailand, 5063; Trinidad and Tobago, 5064; *Tunisia, 5065; *Turkey (1969-73), 5066; Uganda, 5067; United Arab Emirates (1972-74 data only), 5082; *United Kingdom, 5069; USSR, 5075; Venezuela, 5070; Republic of Viet-Nam, 5071; *Yugoslavia, 5072; Zaire, 5012; Zambia, 5073.

# Official Trade Briefs

*This article is another in a series of reports that describes actions affecting world trade, as compiled by the Legislative and Tariff Policy Division of the International Economic Policy and Research Bureau's Office of International Trade Policy.*

### THE PRESIDENT

**Import Relief Decisions:** President Ford has directed that expedited trade adjustment assistance be made available to **mushroom** growers and canners. This action followed a U.S. International Trade Commission finding under the "escape clause" provisions of the Trade Act of 1974 that imports of canned mushrooms are entering the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry and its recommendation for adjustment assistance. In 1975, U.S. imports of canned mushrooms totaled $40.8 million. Taiwan and South Korea are the leading exporters to the United States.

In another "escape clause" determination, the President denied import relief to domestic producers of **ferricyanide and ferrocyanide (iron blue) pigments.** The ITC had recommended that increased tariffs be imposed on imported pigments. In denying relief, the President noted that, since the period covered by the ITC report, the domestic industry is recovering and the anticipated demand for iron blue pigments cannot be met by present domestic productive capacity. Also, imposition of increased tariffs would substantially increase prices at a time when curbing inflation is a priority objective of national economic policy. In 1975, imports of this pigment were $1.8 million.

**Corporate Payments Initiatives:** The President announced new initiatives to be taken concerning policy toward corporations that engage in questionable payments to officials or citizens of other nations. These initiatives, which were based on the findings of a task force headed by Secretary of Commerce Elliot Richardson, include: the drafting of legislation that would require corporate disclosure of all payments made with the intention of influencing foreign government officials; Presidential support of pending legislation to strengthen the law requiring corporations to keep their shareholders fully and honestly informed about their foreign behavior; and a request to major trading partners to cooperate in reaching agreement on a new code to govern international corporate activities.

**Legislation Signed:** The President signed H.R. 13680 which authorizes funds through fiscal year 1977 for international security assistance and arms export activities. (Public Law 94-329).

### SUPREME COURT

The Supreme Court ruled that the President had the power last year to impose the $2 a barrel license fee on imported foreign oil which was designed to retard imports and encourage conservation. In the unanimous decision, the Court held that Congress, in a series of trade acts, had given the President a measure of discretion in deciding how to limit oil imports in the national interest. By this decision the Court reversed the U.S. Court of Appeals ruling that the fees were actually tariffs and that Congress could not have intended to give the President tariff authority which was in the exclusive control of the Congress. The $2 fee has been dropped, but a smaller fee designed to preserve domestic refining capacity will continue on the basis of this decision.

### CONGRESS

**Bills Passed — Senate:** The Senate passed—with non-trade-related amendments—and returned to the House H.R. 12033 which continues until June 30, 1979, suspension of duty on **manganese ore** (including ferruginous ore) and related products.

**Bills Passed—House:** The House passed H.R. 2177, which provides for exemption from duty of **certain components and materials installed in aircraft** previously exported from the United States; H.R. 8656 which amends the Tariff Schedules of the United States to provide for duty-free importation of **loose glass prisms** used in chandeliers; and H.R. 12254, which suspends the duties on certain **bicycle parts and accessories** until the close of Dec. 31, 1979.

**Bills Reported—Senate:** The Committee on Finance reported favorably to the full Senate H.R. 9401 which would continue until June 30, 1978, suspension of the import duty on **certain horses.**

**Committee Hearings — Senate:** The Subcommittee on Minerals, Materials and Fuel of the Committee on Interior and Insular Affairs held hearings to receive a status report on the United Nations Law of the Sea Conference. Testimony was heard from Ambassador T. Vincent Learson, Special Representative of the President, and other members of the U.S. delegation to the Conference and Administrative witnesses. The Subcommittee was recessed subject to call. The Committee on Foreign Relations held hearings on S. 3454 which authorizes U.S. acceptance of fundamental changes in the Articles of Agreement of the International Monetary Fund, and providing U.S. consent to an increase in its quota in the Fund.

The Subcommittee on Foreign Agricultural Policy and on Agricultural Production, Marketing and Stabilization of Prices of the Committee on Agriculture and Forestry held hearings to receive testimony on the preliminary findings of General Accounting Office investigators who have been reviewing Department of Agriculture management of farm export policies since the large **grain** sale to the Soviet Union. The Subcomittee on Agircultural Production, Marketing and Stabilization of Prices also held hearings on S. 2440 which would subject imported **tomatoes** to standards comparable to those applicable to domestic tomatoes. The hearings were adjourned subject to call.

**Committee Hearings — House:** The Committee on International Relations held hearings on foreign boycotts, high-technology export controls and nuclear export controls, receiving testimony from Congressional and public witnesses. The Subcommittee on Commerce, Consumer and Monetary Affairs of the Committee on Government Operations began hearings on banks' participation in the Arab boycott and activities of federal banking agencies and the Securities and Exchange Commission to enforce adherence to U.S. policies against the boycott. The Subcommittee on Courts, Civil Liberties and the Administration of Justice of the Committee on the Judiciary continued the markup of H.R. 2223 to revise the Copyright Law.

The Subcommittee on International Trade, Investment, and Monetary Policy of the Committee on Banking, Currency and Housing approved H.R. 13955 for full committee action. This bill provides for amendment of the Bretton Woods Agreements Act. The Subcommittee on International Economic Policy of the Committee on International Relations held a hearing on H.R. 13684, the International Investment Survey Act of 1976 and related bills which authorize the collection of statistics on multinational investment by U.S. based companies. The Subcommittee also approved for full committee action a clean bill in lieu of H.R. 11532 which would terminate insurance by the Overseas Private Investment Corporation of firms making payments to foreign officials.

**Committee Hearings—Joint:** The Subcommittee on Energy of the Joint Economic Committee held hearings to consider the relationship between multinational corporations and the Organization of Petroleum Exporting Countries and

their possible effect on U.S. foreign policy. Several Administration witnesses, including Secretary of Commerce Elliot Richardson, testified before the Subcommittee. The Subcommittee on Inter-American Economic Relationships began hearings to examine U.S economic relations with Latin America and the Caribbean area. Testimony was presented by witnesses from the academic community.

**New Legislation:** In the second session of the 94th Congress, 139 trade and related bills have been introduced. Bills not previously reported in this column include: H.R. 14272, to amend the Tariff Act of 1930 with respect to the marking of imported articles and containers; H.R. 14294, to require that such imported products made in whole or in part of imported **honey** be labeled "imported," to provide for inspection of imported honey products, and to require that imported honey and honey products comply with certain minimum standards of health; H.R. 14297 and H.R. 14574, to increase for a 5-year period the duty on certain **hand tools;** H.R. 14318, to create a committee on Foreign Investment in the United States to monitor the impact of foreign investments in the United States, both direct and portfolio, and to provide preinvestment guidance to potential foreign investors; H.R. 14375, to amend the Export Administration Act of 1969 to strengthen the antiboycott provisions of such act and to amend the Securities Exchange Act of 1934 to enhance investor disclosure provisions of that Act; H.R. 14379, H.R. 14315, and H.R. 14490, to amend the Tariff Schedules to **repeal special tariff treatment** accorded to articles assembled abroad with components produced in the U.S.;

H.R. 14590, to amend the Tariff Schedules to require **proof of liability insurance** for automobiles entered into the United States for personal use by nonresidents and foreign government personnel; H.R. 14681, to provide for **termination of investment insurance** and guarantees issued by the Overseas Private Investment Corporation in any case in which the investor makes a significant payment to an official of a foreign government to influence the actions of such government; H.R. 14682, to provide the American consumer the assurance that foreign **dairy products** marketed in the United States meet minimum standards of quality by requiring the inspection of these products at U.S. points of entry, at the foreign milk processing plants and at foreign dairy farms; H. Res. 1399, expressing the sense of the House relative to foreign **palm oil** development loans; S. 3524, to amend section 409 of the Trade Act of 1974 relating to freedom of emigration from communist countries; and S. 3562, to amend the Tariff Schedules to provide that certain **netting belts** used in connection with the growing and harvesting of mushrooms be admitted into the United States duty free.

## U.S. INTERNATIONAL TRADE COMMISSION

**Antidumping Cases:** In a 5-0 vote, the Commission decided that there is no injury, or likelihood of injury, to an industry in the United States from imports of **polymethyl methacrylate** (PMMA) from Japan. The Treasury Department had previously decided that PMMA is being or is likely to be sold in the United States at less-than-fair value (LTFV). Consequently, no dumping duties will be placed on imports of PMMA from Japan.

The Commission ruled 4-2 that a U.S. industry is being injured by reason of imports of **water circulating pumps** sold at LTFV from the United Kingdom. Special dumping duties will be assessed on all subject merchandise imported at LTFV after Nov. 26, 1975.

Receiving advice from the Treasury Department that **alpine ski buildings and parts thereof** from Austria, Switzerland, and West Germany are being or are likely to be sold at LTFV, the Commission began investigations to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established by reason of such imports.

The Commission notified the Treasury Department that Treasury's investigation of **monosodium glutamate,** allegedly dumped from Korea, should not be terminated at this time. In a unanimous decision, the Commission ruled negatively in their investigation as to whether there was "no reasonable indication of injury or the likelihood of injury to an industry in the United States" from imports of MSG from Korea. Consequently, the Treasury Department will continue its investigation instituted under the Antidumping Act.

**Section 337—Unfair Trade Practices:** In response to allegations by the Solder Removal Co. and Jesse C. Hood both of Covina, Calif., claiming unfair methods of competition and unfair acts, within the meaning of section 337 of the Tariff Act of 1930, in the importation and sale of certain **solder removal wicks,** the Commission has begun an investigation of the matter. The complaintants further alleged that the effect or tendency of the unfair acts is to destroy or substantially injure an efficient U.S. industry. Signalarm, Inc. of Springfield, Mass. and Spirig of Switzerland were named respondents upon whom the complaint will be served.

**Section 201—Import Relief:** In a 3-2 vote, the Commission decided that increased imports of **honey** constitute a threat of serious injury to the domestic honey industry. The Commission recommended to the President that a tariff rate quota system be established which would allow up to 30 million pounds of honey to enter the United States at the current tariff. All imports exceeding that amount in any given year would be subject to an additional tariff of 30 percent ad valorem during the first three years after the relief became effective. During the fourth year the additional tariff would decrease to 20 percent, and during the fifth year to 10 percent, after which the relief would terminate.

In a 4-1 decision, the Commission ruled negatively on a petition which charged injury from increased imports of **round stainless steel wire** filed by the Stainless Steel Wire Industry Committee. No import relief will be granted.

In view of submissions received from the firm Knots to You, Inc., Van Nuys, Calif., and others, the Commission instituted an investigation under section 201(b) of the Trade Act of 1974 to determine whether **plant hangers** of wood, of vegetable fibers, of wool, of manmade fibers, of iron or steel or copper, of leather, or of shell are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles. Public hearings will be held in Los Angeles Aug. 24, and in Washington, D.C., Aug. 30. Requests to appear at the hearings should be received in writing by the Secretary of the Commission in Washington no later than noon the fifth day preceding the hearings.

## LABOR DEPARTMENT

**Report on Iron Blue Pigments Industry:** A study released by Labor indicates that as many as 36 workers in the **iron blue pigments** industry may be eligible for trade adjustment assistance over the next year. The study was conducted after the International Trade Commission determined that increased imports of the pigments are a substantial cause of injury to the domestic industry. As of June 18 the Department had not received petitions for certification of eligibility.

**Adjustment Assistance—Workers:** The Department certified workers at several firms as eligible to apply for trade adjustment assistance. These workers have become unemployed as a result of increased imports. The workers certified (numbers are approximate) had been employees of the following firms: Brown Shoe Co., St. Louis, Mo. **(footwear);** Do-All Brassiere Corp., Brooklyn, N.Y. and L. and W. Brassiere Co., New York **(brassieres),** 40; Atlas Tile & Marble Works, Inc., Brooklyn, N.Y. **(fabricated marble and granite),** 10; Joseph Perrella, Inc., Gloversville, N.Y. **(golf gloves),** 20; Ambroson Gloves, Inc., Gloversville, N.Y.

**(sport gloves)**, 20; Alsa Footwear, Inc., Wilkes-Barre and Hazelton, Pa. **(slippers)**, 150; Burnham-Edina Mfg. Co., Edina, Mo. and Apex Glove Co., Milwaukee, Wis. **(work gloves)**, 100;

The following manufacturers of **men's clothing:** Alatex, Inc., Andalusia, Enterprise, Troy and Brantley, Ala., 1,400; Manhattan Shirt Co., Jessup, Americus and Ashburn, Ga. and Winnsboro, S.C., 635; Arthur Winer, Inc., Gary, Ind., 240; Albert Given Mfg. Co., East Chicago, Ind., 150; and Melton Shirt Co., Batavia, N.Y., 25;

Ford Motor Co., Lima, Sharonville and Cleveland, Ohio, Warren, Woodhaven, Dearborn and Utica, Mich. **(automobiles and automobile transmissions)** 22,300; Allegheny Ludlum Steel Corp, Breckenridge and West Leechburg, Pa., and New Castle, Ind., Republic Steel Corp., Canton and Massillon, Ohio, Carpenter Technology Corp., Union and Jonesburg, N.J. and Colt Industries-Crucible Steel, East Troy, Wis., and Carrollton, Ga. **(stainless steel products)**, 4430; D. Seidman's Sons, Philadelphia **(knit headwear)**, 80; Friedman Marble & Slate Works, Inc., Long Island City, N.Y. **(fabricated marble and slate)**, 10; General Motors Corp., Lordstown, Ohio and Massena, Tonawanda and Buffalo, N.Y. **(subcompact autos)**, 6,000.

The Department denied petitions for trade assistance for workers of the following companies: Bristol Clothing Mfg., Inc., New Bedford, Mass. **(clothing)**, 60; Lebanon Knitting Mills, Pautucket, R.I. **(knit fabric)**, 60; R. and R. Toy Mfg. Co., Inc., Pen Argyl, Pa. **(stuffed toy animals)**; Ford Motor Co., 25 plants in Ohio, Michigan, Illinois, Alabama, Tennessee, New York and Indiana **(component parts for autos)**, 26,900; Electralloy Corp., Oil City, Pa. **(stainless steel ingots)**, 100; Cyclops Corp., Houston, Tex., and Sharon, Pa. **(steel pipe products)** 280; Green River Steel Corp., Owensboro, Ky., and Ohio Steel Tube Co., Shelby, Ohio **(specialty steel products)**, 885; General Motors Corp., 64 plants in Michigan, Ohio, New York, Pennsylvania, Indiana, Illinois, New Jersey, Wisconsin, Connecticut, and Kansas **(component parts for autos)**, 68,000;

Sun Clothes, Inc., Philadelphia **(men's swim wear)**, 160; Penn-Birmingham Bolt Co., Scenery Hill, Pa. **(steel fasteners)**; Ohio Nut & Washer Co., Mingo Junction, Ohio **(flat washers)**; Amerace Corp., Strongville, Ohio **(nylon patches)**; Mark Shirt Co., Cincinnati **(shirts and blouses)**; Cyclops Corp., Dover, Ohio **(galvanized steel sheets and coils)**; Dubow Sportings Goods, Chicago **(golf clubs and balls)**; Standard Nut & Bolt Co., Cumberland, R.I. **(industrial fasteners)**; Pilgrim Screw Corp., Providence, R.I. **(stainless steel screws)**;

Slack Fashion, Inc., New York **(clothing)**; Magnavox Co., Fort Wayne, Ind. **(electronic consumer products)**, 750; Rollway Bearing Co., Liverpool, N.Y. **(cylindrical roller bearings)**, 330; Teledyne, Inc., East Carnegie, Pa., Cyclops Corp., Wheatland, Pa., U.S. Steel Corp., Vandergrift, Pa., Republic Steel Corp., Ferndale, Mich., and California Strip Steel Corp., Los Angeles **(specialty steel products)**, 815; Lear Siegler, Inc., Union City, Tenn. **(auto seat assemblies)**; Philco-Ford Corp., Blue Bell, Pa. **(marketing of company products)**;

Moderne Glove Co., Gloversville, N.Y. **(gloves)**; Wohl Shoe Co. Warehouse, St. Louis, Mo. **(warehouse services)**; Belle Counter Co., Belle, Mo. **(counters for shoes)**, 20; GTE Sylvania, Inc., Emporium, Pa. **(automated equipment and television tube yokes)**, 70; Brasscraft Mfg. Co., Detroit **(brass plumbing fittings)**; Chromalloy American Corp., San Antonio, Tex. **(metal coatings for jet aircraft engine parts)**, 300; Bristol Laboratories, Syracuse, N.Y. **(antibiotics)**, 750; and Copperweld Steel Co., Warren, Ohio **(steel products)**, 1,400.

**Investigations—Workers:** Trade adjustment assistance has been sought during the past month by workers in about 80 firms. The majority of the firms manufacture **iron and steel products, clothing, footwear and automotive components and services.**

## TREASURY DEPARTMENT

**Countervailing Duty Cases:** The Department reached final affirmative determinations in the countervailing duty investigation of **cheese** from Finland and Sweden, accounting for $12.7 million of U.S. imports in 1975. However, the countervailing duties have been temporarily waived for both countries since steps have been taken to reduce substantially the adverse effects of the bounties or grants.

The Department also initiated three countervailing duty investigations concerning U.S. imports of **bicycles** from Taiwan ($10.9 million in 1975) **cotton yarn** from Brazil ($2.5 million in 1975), and **industrial fasteners** (nuts, bolts and screws) from Japan ($134 million in 1975). If the Department finds that bounties or grants are paid or bestowed on the imported merchandise, an additional duty equal to the bounty or grant will be assessed. Preliminary decisions in all three cases are due in October and final determinations will be announced in April 1977.

**Antidumping Cases:** The Department announced that **Alpine ski bindings and parts** thereof from Austria, Switzerland, and West Germany ($3 million in 1975) are likely to be sold at LTFV in the United States. The case has now been referred to the U.S. International Trade Commission for determination of whether the sales at LTFV are injuring a domestic industry. If injury is found, dumping duties will be assessed on the subject ski bindings on an entry-by-entry basis. Treasury also began antidumping procedures concerning **round head steel drum plugs** from Japan. Imports of the plugs from Japan totaled $10,000 last year.

## COMMERCE DEPARTMENT

**Adjustment Assistance—Firms:** Secretary Elliot Richardson announced approval of a $1 million trade adjustment assistance loan for Glamorise Foundations, Inc. of Willimsport, Pa. Glamorise, which employs over 180 persons, will use the loan to provide working capital for a program aimed at regaining its competitive position in the women's **foundation garments** market.

## INTERNATIONAL

**Foreign Antidumping Actions**—Canada has informed the United States that, in accordance with Section 13(1) of its Antidumping Act, an investigation has been initiated respecting the alleged injurious dumping into Canada of **steam traps, pipeline strainers, automatic drain traps** for compressed air service, **thermostatic air vents and air eliminators, including parts, screens, and repair kits** pertaining thereto, produced by or on behalf of Sarco Co., Inc., Allentown, Pa.

A similar investigation has been initiated for **painted aluminum rollformed sheets,** and related **parts** for use in the manufacture of stepdown awnings, exported by Wrisco Ltd. of Detroit.

After a preliminary determination of dumping into Canada of **gymnasium equipment** produced by Nissen Corp. of Cedar Rapids, Iowa, Canada's Antidumping Tribunal has initiated an inquiry to determine injury.

Canada has also informed the United States that as a result of investigations carried out in accordance with Section 13(1) of its Antidumping Act, it has been determined that certain **gasoline powered chain saws** manufactured by McCulloch Corp. of Los Angeles and by Beaird-Poulan of Shreveport, La. have been or are being dumped and that the margin of dumping is such that the actual or potential volume thereof is not negligible. A similar determination was reached respecting **luxury cat food** produced or exported by Nine Lives from the United States into Canada. Both cases have been referred to the Antidumping Tribunal for consideration of material injury and the amount of provisional duty to be paid.

Canada's Antidumping Tribunal made a finding of no material injury with respect to dumping into Canada of **mirror tile** originating in the United States. Consequently, the related antidumping proceedings have been terminated.

**BUILDING MATERIALS SHOW, TEHRAN**—*Prospective Iranian buyers question U.S. company representatives about their products at Chevron Chemical's booth.*

## Concrete Forms Get Top Attention At Building Exhibition In Tehran

The current construction boom in Iran is expected to last for some time, even though many projects are being curtailed because of the decrease in oil revenues relative to returns forecast last year.

A Tehran U.S. Trade Center show, held just as the new construction season was getting under way, caught sharp buyer interest by displaying the latest in building materials and equipment. Concrete forms of all types seemed to attract the greatest level of attention, and clearly represented the most basic and radical departure from traditional Iranian construction techniques in the exhibition. Of the 31 participants, all but one were new to the market. Attendance represented a good cross-section of those engaged at every level of the construction industry.

As the construction boom continues, technological improvements are beginning to be felt in the building of large commercial and industrial structures. Residential housing is still less advanced.

Prices for some of the products displayed are higher than for those imported into Iran from third country suppliers. Shipping costs contribute largely to this differential, but most exhibitors believed that they could be price-competitive in the market. U.S. products with a clear technological advantage render pricing of little importance, and some U.S. products are considered technologically or qualitatively superior to those of third country suppliers. Based on the experience of the recent exhibition, such products would include—but not be limited to—concrete forming equipment, plumbing equipment, broadloom carpeting, prefabricated housing, and aluminum window systems. Some products—for example, polymer door systems—have no third country competition.

As for more basic equipment and supplies, domestic Iranian industry probably will fill whatever gaps currently exist; thus, importation of these products will become progressively less attractive. Some very basic items, however—for example, carpentry tools—may enjoy a good market if domestic supply and delivery problems can be overcome.

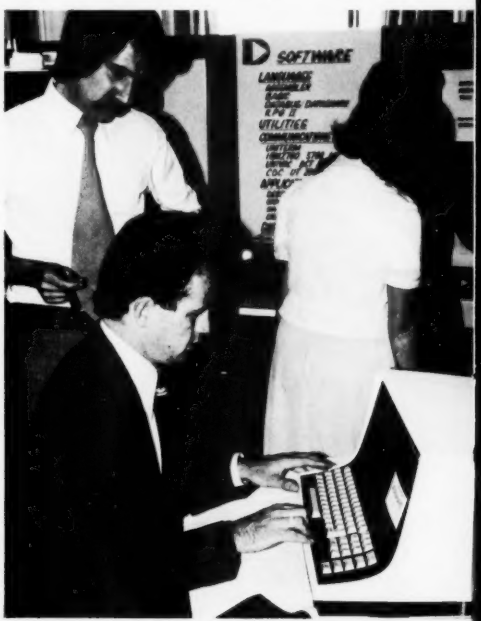
Floor sales during the exhibition totaled $1.7 million and 12-month projections, $28.6 million. Six representatives were appointed, and 19 agreements were under negotiation as the show closed.

## New Zealanders Buy U.S. Computers, Business Machines, Exhibitors Report

New Zealanders demonstrated an unusually high degree of interest in AMTECH '76, a recent U.S. exhibition in Auckland. The exhibition, staged "off-site"by the U.S. Trade Center in Sydney, Australia, featured computers, business machines and systems, and advanced graphic arts equipment.

Remembering the solid success of the preceding triennial event, AMTECH '73 in Wellington, several exhibitors had allocated their entire year's promotional budget for participation in this show. Thirty companies, representing 52 U.S. manufacturers, took part. Despite the small size of the New Zealand market (population, three million), and the current sluggishness of the economy, floor sales totaled almost $1 million, and 12-month projected sales, $12.1 million. U.S. products at present are price-competitive in the area.

During the event, 16 exhibitors presented seminar papers on their areas of technical expertise. "The seminar program, combined with the high quality of the exhibition, provided a highly effective means of exchanging the latest and most advanced technology," said U.S. Ambassador Armistead I. Selden Jr., who viewed the exhibits on opening day.




**AMTECH '76, AUCKLAND**—*Tony Maxwell enters attendance registration information into Datapoint minicomputer as Clive Bendon watches visual readout on display screen in Sigma Data Corp. (Australasia) Pty. Ltd. booth.*

## MIXED INDICATORS BLUR AUSTRALIAN OUTLOOK

Although there is disagreement as to when—or even whether—economic recovery began in Australia, it is clear that it is at best a weak and halting process. Recent private surveys as well as informal soundings suggest an attitude of cautious optimism—widespread but by no means universal—on the part of the business community. This may mostly reflect business attitudes about the change in government which took place in December rather than visible economic trends. It may also be a hopeful reaction to the good economic news coming from the United States. In any case current indicators offer scant evidence of recovery, according to the U.S. Embassy in Canberra.

The unemployment rate (seasonally adjusted) was down early this year a full percentage point from its October high of 5.2 percent of the labor force. The total number of unemployed, including school-leavers, declined almost 20 percent.

But other employment indicators were flashing caution. Unfilled vacancies, after increasing substantially in two of the previous three months and holding steady in the third, turned down in February by 3 percent. The number of persons receiving unemployment benefits showed a similar turnaround when, after three successive months of decline, the total rose by 4 percent. Thus, data suggesting improving employment, which in any case have been beset by technical uncertainties regarding their interpretation, may have been misleading.

A favorable trend during 1975 was the steady decline in the annual rate of increase of weekly wages. In December 1974 this indicator stood at 35.7 percent for adult males. A decline began in April 1975 and by December the annual change was down to 11.3 percent (less than the inflation rate for the same period). As Australia's inflation is widely considered to be a wage-push phenomenon, many observers saw in this the prospect of a basic improvement in the price situation.

But these hopes were set back in February when, over government opposition and under indexation guidelines previously instituted, the Arbitration Commission awarded a full 6.4 percent National Wage increase based on the movement of the CPI during the previous two quarters. This, along with a surge in the food price index during recent months, has caused concern about a possible resurgence in Australia's already high inflation rate.

As measured by changes in the Consumer Price Index, Australia's inflation rate eased briefly during the last half of 1975. The CPI rose only 0.8 percent in the July-September quarter, bringing the change from a year earlier down to 12.1 percent, the lowest 12-month figure in at least two years. But this was mainly the result of decreases in the price of health services following the introduction of a national health insurance system. In the following quarter the CPI rebounded to a figure of 5.6 percent, the largest quarterly rise since 1951, to bring the 12-month actual rate to 14.0 percent. Full CPI results for the first quarter of 1976 are not yet available but the monthly food price index, which contributes substantially to the overall CPI, jumped 3 percent in January and 1.6 percent in February. Any reduction in the inflation rate to single-digit figures in the current quarter and probably in the next year seems highly unlikely.

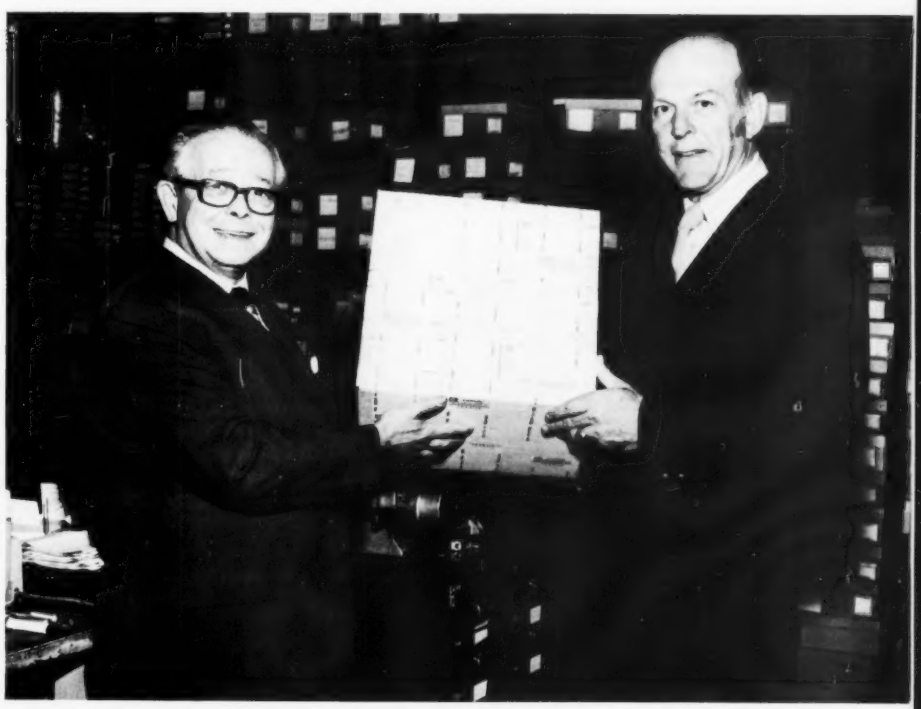
**Ambiguous trends**

Consumer confidence trends have been ambiguous. Consumer spending appeared to pick up in the last quarter of 1975, registering increases of $A6 million, $A21 million and $A19 million, respectively (seasonally adjusted and at current prices) during those three months. However, the trend has slowed more recently. Registrations of new automobiles, seasonally adjusted, declined for 1975 as a whole, totaling 0.6 percent less than in 1974. They showed a good increase in January, however, rising 3.8 percent over the previous month, and there are other indications that new car demand may be picking up quicker than expected.

**Exports exceed imports**

Australia's exports exceeded imports for 16 consecutive months to February. For the first eight months of the current financial year an export surplus of almost $A800 million has been recorded. Despite falling world demand and prices for some of Australia's major exports, others have performed buoyantly. Most recently, the value of coal and cereals exports has been high, while that of sugar, iron ore and, to some extent meat, has fallen. With the slow pace of the Australian economic revival, the gradual depreciation of the Australian dollar, and the effect of restraint measures, imports have held steady or increased only marginally from reduced levels. In recent months imports of petroleum, chemicals, iron and steel, clothing and footwear have increased while the value of electrical machinery imports is down.

An important factor in the Australian economic scene was the election on Dec. 13 of a Liberal/National Country Party (L/NCP) coalition government. Campaigning mainly on the issue of the state



**DESTINED FOR AUSTRALIA**—*The first part of a shipment of hearing aids is held by Richard Tatum, Vice-President for Marketing (left), and Hugh Cameron, President, Radioear Corp., one of the oldest makers of hearing aids in the United States. The company received an order for 6,000 behind-the-ear units from Australia.*

of the economy, the coalition's leaders expressed the conviction that recovery should be an investment-led process. An investment allowance would be instituted and constraints on business profitability, including the Prices Justification Tribunal, were to be removed. Australian industry would receive "adequate protection" from imports. And inflation would be contained by reducing the budget deficit and reversing the growth of the public sector.

But during its first days in office there was extensive public debate respecting the new government's policy intentions. The debate turned on the questions of whether an investment-led upturn could take place without a revival in consumer confidence as a basis for new investment, and the possible effects which the government's emphasis on business profitability might have on labor's support for wage restraint measures.

**Taking aim at inflation**

The government's actions to date suggest that its policy has taken these concerns into account—the most significant steps have focused less on the problem of investment stimulation than on inflation. In late January the Treasurer announced monetary measures aimed at mopping up excess liquidity. Government expenditures have been pruned and a ceiling on Commonwealth Government employment imposed. The intention to abolish the Prices Justification Tribunal is under review, following representations from the labor movement, and its implementation indefinitely delayed.

Earlier expectations of a more protectionist import and tariff policy line have yet to be borne out by actions. At the most, only interim extensions of existing quotas have been announced and in one case—steel plates—quotas have been discontinued. But at the same time investment stimulation has not been overlooked. A 40 percent investment allowance went into effect on Jan. 1, to continue until June 30, 1978, when it will operate for two further years at 20 percent.

The impact of the recent change of government on Australia's economy, and the significance in turn of this economic impact for U.S. economic and commercial interests, should not be overstated. But the new government's commitment to strengthening the private enterprise sector in Australia will probably result in gradual improvement in the business climate to the mutual advantage of U.S. investors and exporters and their Australian counterparts.

The guidelines on foreign investment remain very popular to those promulgated by the previous government last September. The new government's policy statement, released April 4, calls for continued emphasis on the long-term objective of maximum Australian ownership and control of the economy. But these guidelines will probably be implemented with greater flexibility than in the 1973-75 period. In particular, the new government can be expected to place high priority on Australian growth and development, including the expeditious development of Australian mineral resources and exports.

In those cases, accordingly, where projects of economic importance have genuine difficulty in meeting the guidelines for Australian ownership and control, it seems probable that there will be an increased willingness to make pragmatic exceptions to the ownership policies for reasonable periods of time in order to enable the projects in question to proceed in an orderly fashion.

Australian import and tariff policy is likely to be at least as protective as it was during the last year (1975) of the previous government's tenure, and distinctly more protective than during the 1973-74 import liberalization phase. The new government has displayed considerable moderation to date in this area but it is reasonable to assume that it would not hesitate to come to the aid of Australian domestic manufacturing industries which experienced serious difficulties, particularly if significant unemployment is threatened.

**Outlook depends on recovery pace**

In practice, the Australian outlook for foreign exporters and investors during the coming year will be conditioned more directly by the course of economic recovery than by Australian Government policies as such. Notwithstanding existing import restraints, U.S. exporters of good quality consumer goods should continue to benefit from the continuing high level of Australian import demand, and eventually from the increases in consumer demand which will occur when the domestic economy begins to recover. Moreover, as capital investment revives, the 40 percent investment allowance instituted by the new government should benefit U.S. sellers of capital goods.

U.S. Government trade promotion efforts currently are concentrated on five product areas: printing and graphic arts equipment, agricultural equipment, metalworking and finishing machinery, biomedical equipment and industrial and scientific instruments. Other categories which have been identified as good future prospects for increased sales include computers and peripheral equipment, communications equipment, business machines, materials handling equipment, electronic components, pollution control equipment, food processing and packaging equipment, consumer goods and others.

## Philippines Is Becoming A Favored Destination For American Business

The Philippines is becoming a favored destination in East Asia for U.S. business, reports Samuel S. H. Lee, Commercial Officer at the U.S. Embassy in Manila. American firms are being attracted by the many export opportunities the country offers and its prime location as a site for regional marketing or manufacturing facilities.

The Philippine Government is aggressively pursuing a program of infrastructure development. It has enlisted the assistance of the World Bank and the Asian Development Bank in financing important projects in transportation (roads, railway and shipping), ports and harbors, airports, power, and agricultural development (dams and irrigation projects). Other international financing also plays a significant role. For example, the U.S. Eximbank has agreed to participate in the $1.2 billion nuclear power project being undertaken by Westinghouse.

The nuclear power project is considered the top priority major project by the government. Other priority major projects are a copper smelter, a superphosphates fertilizer plant (in coordination with ASEAN), an integrated iron and steel complex, and petrochemicals. These projects would require considerable amounts of capital as well as engineering expertise and sophisticated equipment and machinery.

The private sector is also proceeding with major projects, mostly in tourism and in the development of natural resources. The program of building a dozen major new hotels will be completed in 1977, but equipping and furnishing the hotels will be a continuing need. In natural resources, the most promising projects are the opening up of new copper ore bodies by Atlas, Benguet Consolidated, and CDCP Mining. Above all, the oil exploration companies have been increasing their drilling efforts since the first Palawan strike early this year.

Indicative of the feverish pace of development has been the need to import essential machinery and raw materials. Imports doubled from $1,597 million in 1973 to $3,143 million in 1974—with the U.S. share rising from $450 million to $731 million. Philippine exports increased at a slower rate (48 percent) and actually fell in 1975 because of the recession in its major markets in the United States and Japan. However, imports rose by 10 percent in 1975 and the U.S. share went up slightly to $454 million—attesting to the strong demand for capital goods which the developmental activities were generating.

Major U.S. exports are machinery other than electrical, $198 million; transport equipment, $71 million; cereals and cereal preparations, $58 million; electric machinery, $56 million; textile fibers, $43 million; chemical elements and compounds, $39 million; explosives and miscellaneous chemical products, $35 million; and base metals, $16.4 million.

The infrastructure program and the rapid industrialization of the country have generated requirements for earthmoving and construction equipment, metalworking and finishing equipment, logging and wood processing equipment, and materials handling equipment. Heavy demand should develop for wood processing equipment in the next few years as the Philippines moves toward implementation of its "log export ban" policy in order to hasten processing of wood in the country. According to one private estimate, some $800 million would be required for a full conversion of the forest industry to wood products. A U.S. timber industries trade show is therefore scheduled for March 1977.

For those firms interested in locating in East Asia, the Philippines offers numerous advantages — a common language in English, available skilled workers at very reasonable wage rates, and a shared heritage of doing business the American way. A recent Stanford Research Institute meeting on the Philippines concluded that the investment climate is favorable. The Philippine Government has offered many incentives to multinational companies for locating their regional offices in Manila.

## Responsive Firms Can Get More Business In Ghana

The performance of Ghana's economy continues to be erratic, reports A. Lester Glad, Commercial Attache at the U.S. Embassy in Accra.

The increase in the cost of petroleum, all of which is imported, has intensified inflationary pressures. The February government cost of living index for urban areas shows an increase of 53 percent from a year earlier.

Legislation to increase Ghanaian participation in foreign-owned enterprises, effective July 1, establishes ground rules for the purchase of shares of foreign companies by the government and private individuals and firms. Uncertainty about implementation of the law has created a wait-and-see attitude on the part of foreign investors and promises to increase claims on Ghana's already limited foreign exchange receipts.

**Improved trade position?**

On the brighter side, in 1975 Ghana experienced a modest trade account surplus which may mark the beginning of an improved trade position. Imports are still tightly controlled and many non-essential goods are prohibited. The price of Ghana's main export, cocoa, has remained relatively high and the outlook for the current crop is good.

The World Bank and the U.S. Agency for International Development and other bilateral donors are helping to finance several development projects which require imports of capital goods. The World Bank is financing projects to rehabilitate and increase the production of cocoa. The World Bank and others are also supporting projects for expanding sugar cane and oil palm cultivation. There is widespread interest in expanding cotton production. The U.S. AID program is directed toward improving small farmer operations and increasing their food production. These projects and those of other bilateral donors should stimulate demand for agricultural inputs such as fertilizer and insecticides, as well as agricultural machinery and implements. The government also has an ongoing program with external support for building and improving rural feeder roads, which should continue to require imports of roadbuilding machinery and equipment.

The largest single development project coming up soon is the Kpong Dam, to be built on the Volta River, just below the Akosombo Dam. Although financing for Kpong has yet to be finalized, the government is moving ahead with plans to build this project, which is estimated to cost $250 million (of which about $180 million is in foreign exchange). The project will create opportunities for U.S. engineering firms as well as manufacturers of a wide range of heavy construction equipment. American suppliers of engineering services should also explore opportunities for expanding Ghana's only petroleum refinery in Tema and modernizing the country's telecommunications system.

Ghana's mining sector has long been important and gold, manganese, diamonds and bauxite are exported. The government now controls mining firms operating there and is exploring the modernization of some mines. U.S. manufacturers of mining equipment and machinery should investigate sales potentials in this field.

Timber and wood products are also key foreign exchange earners, accounting for 11.6 percent of Ghana's exports in 1974. The government is encouraging more local timber processing (especially knocked-down furniture components), which should create opportunities for U.S. manufacturers of sawmill and other wood processing equipment. Indeed, the government is considering banning the export of "round logs" (unprocessed timber).

In recent years the United States has been in second or third place among Ghana's suppliers. In the first half of 1975 the United States moved into first place, accounting for 15 percent of Ghana's imports. AID's financing of commodities, mostly capital goods and agricultural inputs, should continue to boost U.S. sales there. American suppliers might obtain more of this business if they were more responsive to Ghanaian bid invitations.

Ghana has strong traditional ties with the United Kingdom, and other European countries, notably West Germany, are well represented in the local market. U.S. firms will have to overcome the Ghanaian tendency to think European when placing import orders.

Finding a suitable local representative can also be a problem, as most of the established trading firms have links with European competitors. American exporters must find serious, aggressive local representatives. Maintenance and service can be an important selling point and American firms must provide basic equipment and training for local service personnel.

**GHANA'S OTHER HARBOR**—*In addition to Tema, there is another harbor at Takoradi in the country's western region, some 168 miles from Accra.*

## U.S. IN STRONG POSITION TO SUPPLY NICARAGUA'S GROWING IMPORT NEEDS

"Few American businessmen realize how attractive a market Nicaragua is. Nicaragua imports much more than would normally be expected for a country of its size, it is only two hours from Miami, and Americans are actually liked."

These were the words of one of the members of a trade mission from Florida that visited Nicaragua last January. Indeed, although Nicaragua's gross domestic product was only $1.6 billion in 1975, imports exceeded $500 million. And American firms are in a strong position to supply a major portion of these imports, advises Hendrik van den Berg, Commercial Officer at the U.S. Embassy in Managua.

Excluding protected imports from the other Central American Common Market countries and petroleum imports from Venezuela, almost an even 50 percent of the remaining imports came from the United States in 1975. The proximity of the United States, the convenient transport services, the well-established commercial relations between the two countries, and the excellent reputation and respect enjoyed by U.S. firms and their products make Nicaragua a lucrative market which should not be overlooked.

Based on its excellent agricultural potential, the Nicaraguan economy has experienced very healthy growth of about 5 percent annually in real terms over the past decade. In 1974, as a result of good agricultural output and prices plus the Managua reconstruction boom, real growth reached 12 percent. Unfortunately, the 1975 world recession reached Nicaragua in the form of reduced demand for its agricultural exports, and real growth dropped to only 2 percent.

Imports grew at a rate exceeding the rate of overall economic growth in recent years. Since Nicaragua and its Common Market neighbors have developed only a limited industrial capacity, imports of all types of manufactured products, ranging from consumer durables and pharmaceuticals to machinery and motor vehicles, have had to be imported in even greater amounts.

Nicaragua's export earnings will reach a new high this year. Prices for the most important export crop, cotton, have improved substantially this year as compared with 1975. And, as every American coffee shopper knows, coffee prices have risen out of sight. Coffee is Nicaragua's second most important export, and export earnings for the 1975-76 crop and the upcoming 1976-77 crop should set new records. Earnings from meat and sugar exports also look very good.

These increases in export earnings should lead to a rate of overall economic growth of 6 or 7 percent in 1976. This healthy economic growth should in turn lead imports to approach their high 1974 levels. Thus, if U.S. exporters hold their traditional market share, the total f.o.b. value of imports from the United States will surpass $180 million this year. An increase in market share would, of course, expand U.S. sales even further.

Agriculture is the motor that drives the Nicaraguan economy, and 1976 has been an outstanding year for this crucial sector of the economy. Imports of fertilizers, insecticides, agricultural machinery, and equipment will no doubt reach record highs.

Fertilizer imports in 1974 exceeded $30 million in value. This total was swollen, however, by the large amount of stockpiling that took place as importers attempted to protect themselves from world shortages. As a consequence, imports fell to $22 million in 1975 as excessive supplies were worked off. This year should see $30 million surpassed easily, with little or no stockpiling taking place.

The same is true for chemical insecticides. Down to $18 million in 1975 from a high of $22 million in 1974, imports of chemical insecticides may approach $25 million in 1976.

### High prices encourage production

The improving world prices for cotton and coffee will bring increased fertilizer and insecticide usage for those crops. In fact, coffee producers have never used much chemical fertilizers in the past, but this year's sky-high coffee prices will induce producers to squeeze every extra possible pound of coffee out of their existing trees. Cotton growers, already heavy fertilizer users, are expected to increase their acreage this coming planting season in response to strong cotton prices. Government programs to increase the production of basic crops such as beans, rice, and corn will only increase the demand for fertilizers and insecticides even further.

Local distributors and banks have reported very substantial increases recently in purchases of agricultural machinery and equipment. Imports of tractors, harvesters, plows, seeders, cultivators, etc. approached $5 million in 1975, and if recent sales levels continue throughout the year, which is a good possibility, 1976 imports could come close to $10 million. American suppliers of farm machinery are well represented in Nicaragua, and their market share should remain at the traditional 60-70 percent.

Export opportunities will also develop as new ambitious agricultural projects are undertaken. The 120,000 acre Tipitapa-Malacatoya irrigation project will convert a dry, grazing region into an intensive cotton, sorghum, corn and rice growing area. Substantial purchases of irrigation equipment will take place in early 1977, with purchases of agricultural machinery to follow.

Nicaragua is blessed with a low population density, and large undeveloped regions remain to be brought into agricultural production. Land-rich Nicaragua indeed finds itself in an enviable position in this shortage-prone world. The continued expansion of agricultural production in the future will offer an attractive market for American producers of all types of agriculture-related manufactured products.

Although it is common to hear from local construction industry leaders that "the construction boom is over," construction activity continues at a strong pace. Following the December 1972 earthquake that destroyed the capital city of Managua, gross private construction grew from a $20 million annual level (1972) to $85 million in 1974.

Private construction dropped to $75 million last year, and Nicaraguan Central Bank economists expect it to drop further to $65 million this year. Thus, the impression that "the boom is over". Gross public construction is growing rapidly, however, more than offsetting recent decreases in private construction. This trend toward increased public construction can be expected to continue, according to industry experts. When one includes public construction, the boom is far from over, and the gross value of construction should easily surpass $200 million this year, a substantial increase from the "boom" year of 1974 when construction activity totaled $170 million.

Some $70 million in public funds are to be spent on reconstruction in Managua over the next two years. Another $60 million will be spent on road projects in various parts of the country over the next three years. Several large hydroelectric projects are in the works as Nicaragua desperately tries to free itself from dependence upon imported oil. Construction on one 200-megawatt dam is expected to get under way in early 1977.

All in all, the market for U.S. construction and building equipment and materials will show some improvement over 1975. Total imports of equipment and materials in 1975 were $22 million. No one expects imports to come near the $41 million of 1974, when expanded construction activity required initial purchases of large amounts of capital equipment. Nicaragua's industry has also greatly increased its capacity to supply basic building materials such as cement, roofing, lumber, and flooring. However, changes in the mix of construction activity from private structures to infra-

structural projects will probably require substantial purchases of new machinery and equipment from abroad.

One important market that has been ignored, or at least has not received adequate attention from U.S. manufacturers, is that for motor vehicles. The local market is surprisingly large, and is expected to grow substantially in coming years.

Nicaragua depends almost entirely on road transportation. The railroad is in a state of decay and plays only a minor role in satisfying the country's transportation needs. Planned projects to upgrade the railroad and to build inland waterways are still many years from realization. In the meantime, decentralization of earthquake-prone Managua and numerous highway projects to open up vast underpopulated areas of the country will further increase the need for motor vehicles to transport people and cargo.

The total market for motor vehicles and auto parts and accessories exceeded US$36 million in 1975, including 4,500 passenger cars ($13 million), 2,000 pickup trucks ($6 million), and 1,200 larger trucks ($8 million). And keep in mind that 1975 was a recession year. Sales in 1976 are well on the way toward exceeding the 1975 totals by perhaps as much as 20 percent.

U.S. manufacturers capture only about 20 percent of the passenger vehicle market in terms of dollar volume. Japanese manufacturers dominate the market for passenger cars and small trucks. Only in the category of large trucks with capacity of over two tons do U.S. makes capture a substantial portion (42 percent) of the market.

U.S. auto makers have not aggressively pushed their small cars in Nicaragua. This may be due to the fact that representatives of the major American manufacturers handle broad lines of automobiles not limited to American-made cars, and these dealers have been content to promote only the high-profit lines of large, luxurious U.S. automobiles. Only more aggressive marketing will allow American firms to recapture the market share that they have been giving up rather steadily to Japanese auto makers.

Another important market for American producers is health care products. Nicaragua imports virtually all manufactured health-related products, from X-ray machinery to vitamin pills. Such imports can only grow in years to come as Nicaragua works to upgrade its deficient health care facilities and services.

Several large hospital projects are under way. The 500-bed, $12.5 million Social Security Hospital in Managua will be under construction later this year. Another 200-bed general hospital is slated for 1977, and the 200-bed Children's Hospital will also be constructed in Managua in 1977. An $11 million hospital/medical school is now under construction in the regional city of Leon, and a large number of clinics and small hospitals are planned throughout the country. Imports of equipment for these new facilities should be in the millions of dollars.

**DISCUSSING NICARAGUA'S COFFEE CROP**—*The Commercial Officer of the U.S. Embassy in Managua and author of this article, Hendrik van den Berg, inspects some of this year's high-priced coffee beans with manager of an exporting firm.*

Imports of hospital equipment and instruments totaled only about $2 million in 1975. However, with purchases being made for the major hospital projects as well as for general upgrading of health care facilities, imports most likely will jump to $4 or $5 million annually by 1977. Virtually all equipment and instruments must be imported from outside the Central American region, and U.S. producers, who traditionally supplied up to 75 percent of such imports, should be able to improve on 1975's lackluster 40 percent market share.

**Heavy competition in pharmaceuticals**

Imports of pharmaceuticals and hospital supplies have been rising steadily over the past few years, reaching almost $25 million in 1975. U.S. exporters face very strong competition from Mexican, Swiss and West German producers, but in 1975 the United States led all other non-Central American exporters of pharmaceuticals. Guatemala, with its many subsidiaries of major pharmaceutical manufacturers and protected by the Central American Common Market tariffs, was actually the largest exporter to Nicaragua. If recent trends continue, van den Berg expects Nicaragua to import close to $30 million in pharmaceuticals this year, and U.S. producers to supply close to $5 million of this total.

Special trade opportunities exist for American firms in the area of franchising. There are few franchises currently operating in Nicaragua, but conditions favorable to their establishment are present. The prestige of American-type products and services, the recent proliferation of new shopping centers, and the lack of good, reliable service establishments such as short-order restaurants, automobile repair shops, laundromats, tourist services, etc. are factors favorable to the establishment of U.S. franchises. A recent promotion of franchising by the American Embassy in Nicaragua brought a rather favorable response from potential local franchisees.

Nicaragua offers a small but lucrative market for American exporters in many lines of products, not just in those lines described above. It is easy to pick out additional categories of products that sell well in Nicaragua, and which could be very competitively supplied by American producers. The market looks good for office equipment, packaging machinery, kitchen appliances, telephone equipment, sporting goods, bakery equipment, chemicals, digital watches, buses, windmills and sewing machines, among other manufactured products.

Large projects also present major export opportunities. The Nicaraguan Power and Light Company has two major projects under way: a 200-megawatt hydroelectric dam and the development of promising geothermal energy sources. It now also appears that a major program to upgrade the rail system will be initiated in the near future, and large purchases of equipment and materials will be made. Large container-handling facilities are still to be constructed as part of the $40 million expansion of Nicaragua's principal port, Corinto, and construction will begin in a matter of weeks on the Airport Free Trade Zone in Managua.

## Madagascar's Socialist Goals Make Business Apprehensive, Keep Investment Level Down

Madagascar's new President has charted a "socialist road to development" for the world's fourth largest island (now officially termed the Democratic Republic of Madagascar, or Madagascar for short, in lieu of the old Malagasy Republic). In keeping with the government's socialist goals, a number of major enterprises have been nationalized since mid-1975, including banking. So far the pace of direct nationalizations has not been precipitous, most of commerce, industry and agriculture remaining in the private sector. But the government's program has caused apprehension in the business community.

Madagascar has registered little overall economic growth since the early 1970s, owing mainly to political and economic uncertainties and a low level of new investment. Nonetheless there are several bright spots in the economic picture, reports the U.S. Embassy in Tananarive.

The balance of payments is expected to show continued improvement from severe difficulties experienced in 1974-75. Tight controls on all "non-essential" imports, combined with high or record prices for key exports such as coffee and chromite, should enable Madagascar to maintain reserves at current levels of $65-70 million for the balance of 1976. Over the longer run, the main uncertainty in the outlook is the volume of rice imports that may be required. In 1975 the government projected a continuing decline in rice imports to the point of self-sufficiency in this basic commodity by 1977. Drought conditions in scattered regions of the south during early 1976, however, and continuing difficulties in operation of the government's nationalized system of wholesale rice distribution may require greater rice imports than anticipated this year. The government is now projecting self-sufficiency in food production no earlier than 1978.

The government's development program, relatively slack since the early 1970s, may begin to pick up steam, fueled in part by an expansionary national budget. The budget for 1976 anticipates a hefty 28 percent increase over the previous year's expenditures, substantially more than the rate of inflation (currently about 8 percent). Most of the increase is earmarked for development, with agriculture and public works slated to receive the lion's share of approximately $85 million budgeted for capital development this year.

New private investment is expected to remain low, the main cause being a high degree of uncertainty in the business community as to the eventual extent of direct government participation in the economy. Also, the current administration has not encouraged private foreign investment in Madagascar, and incentives in the Investment Code promulgated in 1973 have been inadequate to attract much interest.

The overall economic outlook for the rest of 1976 is continuation of most of the trends which characterized last year: little or no growth of gross domestic product, with strength in the export sector but a low level of new investment; general sufficiency in the balance of payments and foreign exchange reserves; and a slow but continuing enlargement of the state's role in the economy—all within a framework of accelerating social change and basic political stability.

### Rich in human, natural resources

Madagascar, however, essentially is not a poor country. It enjoys vast areas of arable but uncultivated land (much of it in a temperate climate), a capable population of 9 million, and considerable mineral wealth in chromite, coal, ilmenite, bauxite, and iron (all but the first as yet unexploited). Over the longer run Madagascar has the potential to become a major exporter of foodstuffs, meat and fish products, and a variety of raw materials.

In recent years the U.S. share of the market in Madagascar has averaged about 6 percent, and the United States has ranked fourth or fifth among the country's foreign suppliers. Although exports from the United States to Madagascar in 1975 registered a decline to some $9 million, the export totals for the previous year had been inflated by an unusually large shipment of rice.

Because of the government's tightened new import controls, no growth is expected in the overall value or volume of imports during 1976. Two developments, however, could enable U.S. exporters to increase their market share relative to major competitors. The first is Madagascar's abolition of preferential tariffs of 5-10 percent formerly granted to all imports from the European Community. With the elimination of these discriminatory duties, effective since Jan. 1, U.S. products now enter Madagascar on an equal tariff basis with imports from all other countries. The other development which could contribute to a larger U.S. market share is a new policy of the government of Madagascar to diversify its foreign trade away from excessive dependence on traditional suppliers (principally France, which regularly has accounted for 40-50 percent of the country's imports). Moreover, U.S. exports have traditionally been concentrated in product lines such as capital goods and agricultural inputs, which should be the least affected by Madagascar's new import quota ceilings.

At present the most promising fields for U.S. exports to Madagascar include construction and mining equipment, agricultural equipment and supplies, forestry and woodworking equipment, and communications equipment. Madagascar also plans to do more of its own processing of agricultural products, and could become a promising market for food processing and packaging machinery. The market for U.S. consumer goods in Madagascar is virtually nil as a result of the new import constraints.

With the rapid enlargement of the government's role in the economy and its announced intention of progressively taking over most foreign trade, U.S. exporters are encouraged to pay particularly close attention to government agencies and development programs as potential markets. State agencies, for example, now account for over 80 percent of the market for agricultural equipment and supplies. The largest government import/export trading company, *Tranombarotra Roso*, has an experienced staff and is expanding its activities.

Of Madagascar's major development projects, a $22 million World Bank loan for road construction is expected to be signed this year. This loan should offer opportunities for U.S. engineering and construction firms, as well as manufacturers of roadbuilding equipment. Other major projects at an advanced stage of planning are the $100 million Rogez hydroelectric project and a ferro-chrome plant, both projected for construction in 1978-81.

To assist U.S. manufacturers of forestry and woodworking equipment in developing markets, the Department of Commerce will sponsor a Woodworking Catalog Show in Tananarive in January. This event will feature the product literature of U.S. manufacturers, supplemented by the presence of a U.S. technical expert.

Although U.S. products are increasingly price competitive and enjoy an excellent reputation in Madagascar, a special effort is often required to enter the local market. Correspondence and descriptive materials should be in French, if possible; metric measurements are much preferred; and quoting prices c.i.f. rather than f.o.b. can often help secure new sales. The availability of after-sale spare parts and service is a key factor in the Malagasy market, as is price. Manufacturers of light industrial machinery, such as food-processing and packaging machinery, will enhance their prospects of success if they can offer the sale of a complete plant on a turnkey basis, together with follow-up technical assist-

ance in operation. Malagasy buyers usually tend to prefer economical or simpler models of equipment rather than more sophisticated or larger ones.

An offer of credit may be essential in order to secure larger sales. Although no U.S. banks are represented in Madagascar, several American banks have extended credits to cover sales to Malagasy firms and State agencies in recent years, and the country reportedly enjoys a good credit rating.

The appointment of a local agent or distributor also is often essential in order to compete effectively. For one thing, government agencies in Madagascar prefer to purchase from foreign firms which are represented locally and which are therefore better able to provide spare parts and service. Additionally, local representatives are particularly important for responding quickly to government tender announcements. Most government tenders in recent years, including those open to international bidding, have gone to firms with at least an agent or representative in Madagascar.

Firms interested in possible investment in Madagascar should proceed only after careful investigation and discussions with appropriate government officials. No new investment agreements have been concluded in the past year which might serve as a guide to conditions acceptable to the government.

The value of U.S. investments in Madagascar is estimated at approximately $8 million, almost all of it in the oil-marketing facilities of two American oil companies. These investments do not include approximately $50 million spent by several U.S. firms for oil exploration since the late 1960s. Although no exploitable reserves of petroleum have yet been found, two U.S. companies share in exploration concessions.

## Economic Slump In Belize Limits U.S. Opportunities

Belize is expecting a substantial decline in economic activity, largely because the windfall sugar earnings of 1974-75 will not be repeated this year. Production of major commodities has stagnated as a result of soaring input costs and adverse weather, adds the American Consulate General in the Central American country formerly called British Honduras.

Domestic commerce and industry still show growth from the infusion of sugar earnings, but Belizean workers are continuing their substantial migration to the United States. A record trade deficit and a weakening currency (which is tied to the pound) are expected to put pressure on Belize's balance of payments.

Belize recently adopted the CARICOM common external tariff, which eliminates special preferences for goods from Commonwealth countries outside CARICOM. Measures to peg the Belize dollar to either the U.S. dollar or to special drawing rights are under consideration. The change to either would make U.S. goods more competitive in Belize's $100 million plus import market by reducing the uncertainties of daily currency fluctuations.

The government's local revenues, tied in large part to the volume of imports and commercial activity, are barely sufficient to meet the rising costs of recurrent expenses and maintenance. Belize relies on external assistance (grants and soft loans) for virtually all public investment in development of both human and physical resources. The United Kingdom supplies most of Belize's bilateral aid, while the United States has provided substantial development capital (over $15 million) in soft loans through the Caribbean Development Bank, Belize's largest multilateral source of assistance. In recent years, only about half of the budgeted grants have actually been utilized due in part to lack of funds, manpower, machinery, spare parts or organization at critical times.

The government has stated its intent to encourage domestic and foreign investment likely to contribute to Belize's economic development and has established an investment promotion office in Belize City to help investors plan projects in conjunction with the government. Tax holidays of up to 15 years are possible under a Development Incentives Ordinance, but the history of smaller, private foreign investors in Belize has not been encouraging. Of almost 150 new ventures which have been granted development concessions in the past decade, less than a dozen are still operating. With few natural resources besides abundant land, water and a warm climate, Belize is a relatively high cost producer, even in mechanized agribusiness like sugar, citrus and rice. Larger companies with reserves sufficient to withstand initial years of losses seem to have the best chance of success.

The government has stated repeatedly that it has a "sacred duty to intervene in the economy where necessary for the good of the people" and that "Belizean resources and treasures will be harvested, controlled, and owned by Belizeans to serve Belize and Belizeans." This policy is carried out by a series of legislative acts, including the Alien Landholding Ordinance, which restricts a non-Belizean from holding land in excess of 10 rural acres or one-half urban acre without a development agreement and permit from the responsible Minister of government. Use of minerals or timber, export of goods produced in Belize, control of domestic prices and profit margins, and currency conversion are among those activities controlled by permits from various Ministers, who have wide discretionary powers generally exempt from court challenge. Compensation for land and property is based on prices prevailing two years prior to government acquisition and may be paid in ten-year bonds.

United States firms are eligible to bid on infrastructure development projects funded by Caribbean Development Bank loans. Planned improvements in storage and handling facilities should stimulate modest agribusiness growth, which would broaden the market for agricultural machinery and supplies. Fishing cooperatives are showing interest in equipment for fishing the deeper waters outside the extensive barrier reef as their catch in shallow coastal areas reaches natural regeneration limits.

Import substitution opportunities exist in established local markets for processed milk, meat and edible oils. Substantial reserves of secondary hardwoods might be used in making export quality plywood or panels. Offshore clothing assembly is promising due to the relative abundance of productive female workers easily trained to sew at wage rates comparable to the rest of the Caribbean area.

Tourist expansion offers unusually good opportunities to the U.S.-based promoter able to deliver package tours and groups to the underutilized and moderately priced small hotels at several intimate beach resorts and in Belize City. Belize has virtually untapped and unlimited scuba, snorkeling and sport fishing resources.

# Calendar For World Traders

**Aug. 23-27—New York**—Seminar on Improving the Managerial Skills of the International Manager, American Management Associations.

**Aug. 26-27—Los Angeles**—Practising Law Institute's Seventh Annual Institute on International Taxation, Century Plaza Hotel. The same program will be presented Oct. 7-8 at the Americana Hotel in New York.

**Aug. 31-Sept. 1—New York**—Seminar on International Compensation and Related Personnel Practices, World Trade Institute.

# Worldwide Business Opportunities

*International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.*

*The section that follows presents details about licensing and joint venture proposals, opportunities to sell to foreign enterprises and appoint agents, and visists by foreign buyers and officials.*

## Licensing, Investment Abroad

**GERMANY** — Medium sized company seeks cooperative arrangement with U.S. manufacturer. Firm is importer, distributor of **jute bags.** Arrangement is sought preferably, but not necessarily, with textile producer. Company owns warehousing facilities consisting of 3,500 sq. meters of roofed space and 3,700 sq. meters of open-air space with railroad siding. Established 1926, firm employs 50, has sales area including EEC and EFTA countries. Ernst Schramm, "Sackschramm"-Friedrich Schramm & Co., Duesseldorfer Str. 379, 4100 Duisburg 1-Wanheimerort. (TX: 0855653). P-76533.

**NIGERIA** — Ogun State Ministry of Trade, Industries & Cooperatives desires technical and financial partners to establish following industries: **cement; cocoa; sugar; burnt bricks; stone aggregate; jute bags; glass/bottle; cassava starch and refractory bricks.** Interested investors should contact: Permanent Secretary, Ministry of Trade, Industries & Cooperatives, Abeokuta, Ogun State. P-76534. OPIC.

**2000—BOLIVIA**—Food processing technology sought on joint venture basis to produce **canned meats, canned fruits and canned vegetables.** Roberto Pena, Fabrica Nacional de Conservas "Dillman," Casilla 169, Cochabamba. Cable CONSERVAS. P-76535. OPIC.

**2337, 2339 — MEXICO** — Recently established firm desires patterns, styling, samples as well as technical assistance to manufacture **ladies and/or junior sportswear.** Morley Weiser, Director, Sportvil, S.A., Avena No. 513, Mexico City 8, D.F. Telephone: 657-0988. WTDR. P-76536.

**2851—MEXICO**—Seeks licenses to manufacture **water soluble paint** to be used for interiors and exteriors of homes and buildings. Founded in 1959, firm operates with authorized capital of $176,000 and presently manufactures bathing suits. Wishes to build new plant to produce paint. Victor Miklos, Mgr., Marsol S.A., Nino Perdido 61-201, Esq. Dr. Lavista, Mexico 7, D.F. WTDR. P-76537.

**2869—HONDURAS**—Partner sought to supply technical know-how and up to 49 percent of capital in project to build **vegetable tannin extract plant.** Vegetable tannin will be produced from mangrove trees in southern area of country and proposed marketing area includes Central America, Mexico, and U.S. Estimated production, 3,000 to 6,000 tons per year; cost projected at about $5 million. Marco Aurelio Jerezano, COHDEFOR, Aptdo. Postal 1378, Tegucigalpa, D.C. WTDR. P-76538.

**2899, 2891—GERMANY**—Seeks licenses to manufacture **fire retardant chemicals, protective agents for construction industry, propellants,** etc. Established 1824, firm employs 350, has foreign subsidiaries; is important manufacturer of detergents, scouring compounds, specialty cleaning preparations, etc. H. Krauss, Chemische Werke Muenchen Otto Baerlocher GmbH, Riesstrasse 16, D-8000 Muenchen 50. WTDR. P-76539.

**3079 — UNITED KINGDOM** — Seeks licenses to **manufacture PVC items** by various techniques. Firm produces PVC quilting and carries out high frequency welding of PVC and other materials, especially for furniture, stationery and swimming pool markets. Will soon enter vacuum-forming market. Company wishes to manufacture products allied to its main activities under license arrangements; claims to have good connections with do-it-yourself market. Established 1974, has 10 employees, annual turnover of $250,000; and sells to European market. J. K. Dewar, Mng. Dir., Plantgrove Ltd., The Drove, Castlefields, Bridgewater, Somerset ta6 4BB, England. P-76540.

**3231, 3999—SWEDEN**—Firm seeks joint venture to produce **screen printed decorative mirrors and/or screen printed metal and wooden plaques.** Established 1967, firm manufactures posters, wall decorations, games, toys and furniture. Write: Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76541.

**3369—INDIA**—Seeks technical know-how to manufacture **specialty castings of plain carbon and low alloy steels, high alloy steel, high nickel alloy, high nickel cast iron, Ni-hard and other wear resistant metals of radiographic quality.** These castings will be used mainly for manufacture of pumps and valves. Technology should include operation of different types of furnaces, melting techniques, testing including radiography, repair by welding, and heat treatment. Firm is a leading Indian producer of farm equipment, pumps, valves, machine tools and refrigeration compressors. It is controlled by Kirloskar Group of Poona, a large business complex with variety of interests. Dilip M. Sarwate, Kirloskar Brothers Ltd., Udyog Bhavan, Tilak Road, Poona 411 002. WTDR. P-76542. OPIC.

**3400 — UNITED KINGDOM** — Company, presently engaged in design, manufacture and erection of aluminum floating covers for oil storage tanks, seeks licensing arrangement to **fabricate steel, aluminum and other fine metals to oil, chemical, water treatment and food industries.** Firm also supplies varied fabrications in steel and aluminum, such as sludge scraping machines and aluminum reservoir covers, to chemical and water treatment industries. Established 1968, employs 10. P. A. Lee, Mng. Dir., Arpal Floating Covers Ltd., Players Industrial Estate, Clydach, Swansea, Glamorgan SA6 5BQ, England. P-76543.

**3422, 3540, 2560 — AUSTRALIA** — Small engineering and manufacturing company, which presently produces light hand operated tools, industrial and agricultural centrifugal sludge pumps, is interested in expanding its product range through licensing agreements. Company plans to move into areas allied to present scope of operation within **agricultural, light industrial and recreational fields.** Firm has established distribution network and excellent industrial contacts. M. R. Reeve, Gen. Mgr., B. R. Reeve Engineering, 62 Whiteman St., South Melbourne, Victoria, 3205. WTDR. P-76561.

**3499—NETHERLANDS**—Seeks licenses to manufacture **aluminum do-it-yourself products and aluminum items for leisure time activities** ranging in value from one half to $4 million annually. Firm is manufacturer of aluminum packaging foils, aluminum castings and specialty alloy castings. Is associated with Billiton International Metals BV and Hoogovens Ijmuiden BV Foundries Group. R. J. Van Der Burg, Mktng. Mgr., Aluminum Industrie Vaassen BV, Dorpsstraat 88, P.O. Box 2, Vaassen, Gelderland. P-76544.

**3540—GERMANY**—Small manufacturer and distributor of **metalworking machinery** is interested in expanding its product line. Seeks licenses to make **boring, drilling, grinding, gear cutting and finishing machines.** Firm employs 25, has good connections with metalworking industries. Herr Krahe, Diederen & Krahe Maschinenbau, Werther-Strasse, 5190 Stolberg-Mausbach. P-76545.

**3559 — GERMANY** — Seeks licenses to manufacture **machines and equipment used in production of filters and metal rolls used extensively in paper producing industry.** Company produces and distributes wire cloth. Employs 450; has branch sales offices throughout Europe. Franz Kufferath, Pres., Andreas Kufferath KG, Lanessenstrasse, 5160 Dueren-Mariaweiler. P-76546.

**3569—JAPAN**—Leading manufacturer of water and sewage treatment equipment seeks license. Wants to obtain advanced technology to produce **refuse treatment systems, including refuse transportation equipment of air, tubing and/or conveyors.** Firm employs 1,200; maintains sales offices in major cities; exports to southeast Asia, other areas; has licensing agreements with several foreign firms. Kikuo Nasu, Dep. Mgr., Sales Headquarters, Ebara-Infilco Co., Ltd., Palaceside Bldg., 1-1, Hitotsubashi 1-chome, Chiyoda-ku, Tokyo 100. P-76547.

**3569—SWITZERLAND**—Desires to man-

ufacture under license in Switzerland, **time recorders (it can meet MIL specifications); electronic components and accessories; electromechanical apparatus.** Firm would prefer not being entrusted with sales of the licensed equipment in Europe. Company was established in 1874 as manfactory of watches and other time pieces; has reoriented its activities to toolmaking and precision mechanical working. Presently produces digital time recorders, micromotors, electromechanical apparatus and relays. Also acts as subcontractor for number of Swiss manufacturers of original precision instrumentation. Eric Zutter, Mng. Dir., Manufacture de Montres National SA, rue A.M. Piaget 71 2300 La Chaus-de-Fonds. P-76548.

**3569—UNITED KINGDOM**—Small manufacturer of **automatic liquid sampling equipment and dissolved oxygen meters** plans to expand its product line. Seeks to produce and distribute similar equipment under license. Is particularly interested in cross licensing and marketing agreements with U.S. firms. British concern claims to have good contacts in water industrv; also exports to several areas. C. H. Vessey Gen. Mgr., Automatic Liquid Samplers Ltd., Unit 11, Block 5, Bordon Trading Estate, Oakhanger Road, Bordon, Whitehill, Hants GU35 9HH, England. P-76549.

**3589—FRANCE**—Firm seeks license to manufacture **water purification and waste water treatment equipment.** Specializes in engineering services in nuclear, chemical and glassware industries. Has good technical and commercial reputation, employs 410; is subsidiary of large Saint-Gobain—Pont-a-Mousson company. C. Camilleri, Mgr., Societe Saint-Gobain Techniques Nouvelles, 23, Blvd. Georges Clemenceau, 92400 Courbevoie. WTDR. P-76550.

**3600—GERMANY**—A leading manufacturer of automotive and aircraft panel instruments seeks licenses. Wants to produce: **pressure and differential pressure transmitters with electric output; electric/pneumatic and pneumatic/transducers; valve positioners for control valves;** and **special recording, indicating and measuring instruments for process control application in food, chemical, pharmaceutical, paper and energy distribution industries.** Established 1921, this large compan\u03bd employs over 7,000. Gerhard Femppel, VDO Adolf Schindling AG, 6231 Schwalbach, Sodener Str. 9. P-76558.

**3621—GERMANY**—Seeks cross licensing arrangements for **specialized electric generators.** Is interested in exchanging technolo\u03c3\u03bd for production of **motor driven, alternating current electric generators** for building and construction industry. Company manufactures motor driven generators and welding sets; employs 180, has ten independent sales offices throughout West Germany; maintains its own service and repair facilities. Bernhard Kirsch, Kirsch GmbH, Biewerer Strasse 193, 5500 Trier-Biewer. P-76551.

**3622—KOREA**—Seeks license to manufacture **remote controls for power supply systems** for use in electric power plants, substations and industrial facilities. Firm produces remote controls for railroad signals; also manufactures telephone sets, radio communications equipment, transceivers and other electronic components for domestic and export markets. Established 1953, employs 2,200. Sung-Jeon Park, Dep. Mgr., Oriental Precision Co., Ltd., CPO Box 1301, Seoul 100. Cable; PRECISION, Seoul; telex, ORANGE K27335; telephone, 55-6730/56. P-76552. OPIC.

*Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.*

*Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.*

*WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230, or from any Commerce District Office.*

*OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.*

**3623—GERMANY**—Seeks cross licenses for production of **electric welding equipment.** Firm makes electric generators, electric welding sets. Maintains own service and repair facilities. Has 180 employees, markets throughout West Germany. Bernhard Kirsch, Kirsch GmbH, Biewerer Strasse 193, 550 Trier-Biewer. P-76553.

**3634—GERMANY**—Firm wants to purchase complete **miniaturized "sparking units" for electronic lighters.** With output voltage of 8 kv. at spark gap of 2.6 mm., these units should operate on customary 1.5 v. batteries or 2.8 v. lithium batteries. Dimensions, excluding battery, should be 14 x 14 x 50 mm. Firm needs between 60,000 and 100,000 of these units a year. Is important manufacturer of pocket and table lighters. Company believes such a unit, once developed, could also find market with other lighter companies. Representative of the concern plans to visit U.S. in September to discuss proposal with interested American firms. Sandor Potak, Tech. Mgr., Ibelo Metallwarenfabrik Hermann Zahn KG, Postfach 40, 8751 Sulzabach/Main. P-76557.

**3670 — SOUTH AFRICA** — Manufacturer of specialized **electronic equipment** seeks licenses. Product interests include **electronic power supplies for scientific purposes, thermostatic controlled soldering equipment and industrial and scientific instrumentation.** Company seeks arrangements with smaller American producers. Presently, the concern makes industrial instrumentation, PABX and telephone systems, all on contracts to large corporations; designs most of its equipment for municipalities, government bodies, mining and telecommunications markets. Company is located in light industrial area about 10 miles from Johannesburg. D. T. Norrish, Mng. Dir., Sunrise Electronice (Pty) Ltd., P.O. Box 39374, Bramley 2018. Telephone: 011-40-5312. WTDR. P-76554.

**3694 — PHILIPPINES** — Marketing corporation seeks joint venture and/or licensing agreement to manufacture **automotive spark plugs.** Prospective U.S. partner will be asked to provide plant design, machinery and equipment specifications and procurement, technical expertise and, if it chooses, up to 42 percent equity participation. Exports will be emphasized to obtain government incentives, with at least 70 percent of production allocated for international market. Ernest L. Chua, Pres., ELC Marketing Corp., Room 217, Federation Center Bldg., Muelle De Binondo, Binondo, Manila. P-76555. OPIC.

**3713 — MEXICO** — Medium size firm **assembling buses and trailer trucks** is interested in joint venture to expand its operations. Established 1954. Pedro Perez Del Razo, Dir. Gen., Carrocerias y Omnibuses, S.A., Av. Mexico-Puebla No., 3529 Prolongacion Av. Reforma, Puebla, Puebla. Telephone: 41-75-17. P-76556.

# Licensing In U.S.

*For additional information on these opportunities to manufacture foreign firms' products in the United States under a licensing agreement or in partnership, write the Domestic Investment Services Staff, Bureau of International Commerce, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-2248), referring to the appropriate file number.*

**AUSTRIA**—Firm is interested in making licensing arrangements concerning technology for production of machinery and equipment in following categories: gas production; gas processing equipment; disposal equipment; garbage incineration plants; materials handling equipment; construction machinery; bottle cleaning equipment; machine parts in general; and machinery and fittings of glass fiber, reinforced plastic materials. Firm would also be interested in establishing joint-venture operation in Austria as well as in U.S. File 3072

**FRANCE**—Firm seeks arrangement on licensing basis with American firm for manufacture and sale in U.S. of **refractory materials, molds and chemical compounds** used in the casting, molding and finishing of steel and steel alloys. File 3047

**FRANCE**—Firm offers for license recently patented **new circuit breaker** which has unusually attractive features which emphasize safety. File 3048

**GERMANY**—Established firm that manufactures and distributes **bedspreads, sheets, covers, blankets, pillows and pillowcases** offers joint/venture arrangement with U.S. firm. File 3049

**GERMANY**—A leading manufacturer of **submersible waste water pumps** is interested in establishing plant for manufacture of its products in U.S. Type of investment is open to discussion. File 3050

**GERMANY**—Manufacturer of swimming pool pumps, fountain pumps, all-purpose

pumps and construction pumps, is interested in establishing manufacturing facility in U.S. Form of investment is open to discussion. File 3051

**GERMANY** — Engineering firm seeks partnership or joint/venture with American firm to design and engineer various types of **equipment used in rolling mills, paper mills and machine tool plants.** Optimum scale of U.S. partner would be medium size firm, with staff of about 50 and annual sales of around $10 million. File 3052

**GERMANY**—Engineering firm offers its licenses and technology for production in U.S. of following industrial specialties: **continuous band and water filters for industrial waste water treatment;** and **devices for use in rolling mills and machine tool plants.** File 3053

**GERMANY**—Firm offers licensing or joint/venture arrangement for manufacture of **traffic lighting systems.** These are non-stationary, traffic approach systems for on-line or battery operation. Systems include fixtures, regulators, transformers, beacons, wind tees and cones. File 3054

**GERMANY**—Established firm is interested in finding U.S. manufacturer to manufacture under license its **custom-made cross band and measuring bands of stainless spring steel.** Firm now sells its spring steel on a worldwide basis. File 3055

**GERMANY**—Firm that manufactures water testing equipment is seeking U.S. licensee for three of its new products used in testing potable well water: **submerged camera system** for photographing horizontal and vertical wells: **flow meter** measuring flow and velocity of water in wells; **step probe for selective water sampling** from vertical wells. File 3056

**GERMANY**—Firm offers for production under license in U.S. **pipe joint** for connection to welded pipes on either end. Joint is for operating pressures up to 100 atmg's. Very old and well-established, firm is engaged in construction, production and mounting of pipe joints and, other steel constructions. File 3057

**GERMANY**—Well-established firm offers patent rights for a **special shrub fruit**—a cross between a black currant and a gooseberry—termed Josta (registered trademark), for U.S. firms on licensing basis. The shrub reportedly is insensitive to diseases and brings good crops after only one year, is robust and grows between 25° and 45° latitude. Firm is looking for licensees that would include mail order houses, nurseries, etc. U.S. licensees would be permitted to sub-license nationwide. File 3058

**NETHERLANDS**—Large group of Dutch businessmen is interested in arranging for cooperation on joint/venture basis, investments on both sides of ocean, particularly in **technologically sophisticated products** in electro-mechanical, special materials, polyurethane manufacturing machinery and systems, and in other sectors. Form of investments to be discussed. File 3059

**NORWAY—Shoe manufacturing** company, now exporting to U.S., is interested in possibility of manufacturing in U.S. Form of investment could be that of joint venture. File 3060

**SWITZERLAND**—Inventor offers manufacturing under license of novel type of **industrial metal melting furnace** that uses several types of high frequency circuits incorporating liquid fuel molecular accelerator (sub-atomic), for application with all types of metal (ferrous and non-ferrous), thus making its efficiency and capacity outstanding at low operational cost. Furnace, reportedly, can be built in any size and capacity. File 3061

**SWITZERLAND** — Reputable manufacturer and representative of metal-working machine tools, dies and metal accessories, seeks to complete its manufacturing and sales program by licensing agreement for items in following fields: **clamping tools, chucking tools, holding fixtures, and other accessories** for machine tools, automatic loading arms, hydraulic parts, and other advanced technology which can be used in connection with automatic machine tools. File 3062

**SWITZERLAND**—Small but highly specialized Swiss manufacturer of industrial diamonds, diamond tools, needles, is looking for U.S. licensee to manufacture **diamond discs for industrial use and quartz crystals** for electronic applications including use in digital watches. File 3063

**SWITZERLAND**—Established small to medium-size firm, highly specialized in household insecticides and repellants, offers for production under license and distribution in U.S. its **insecticides and repellants**—presently among the market leaders in Switzerland. File 3064

**SWITZERLAND**—Firm is looking for U.S. licensee to manufacture its line of **pole vaulting, high jumping landing pits.** Preferred U.S. firm would be manufacturer and distributor of sportsground and playground equipment. File 3065

**SWITZERLAND**—Established firm offers for manufacture under license and distribution in U.S. **novelty plastic showcase used as greenhouse** to grow tropical plants in hotel halls, shopping malls, offices, and for similar decoration purposes. File 3066

**SWITZERLAND**—Firm offers for licensing in U.S. novel **bar stacking machine** for use in metal strip and bar storing. System has been developed to facilitate handling and storing of heavy metal rods, bars, strips, and similar shapes used in building industry trade. Part of equipment is storage cradles which serve as containers for stored metals. Machine operates between racks which support cradles; it travels on rails. File 3067

**SWITZERLAND**—Old established firm specializing in air-conditioning equipment offers for license in U.S. its line of new modular, frameless, **air-conditioning units** for universal application. They can be built together for almost any variations in size and uses, including residential, industrial, commercial and even mobile. File 3068

**UNITED KINGDOM**—Manufacturer of **automatic liquid sampling equipment and dissolved oxygen meters** wishes to expand its range by manufacturing under license similar equipment from a U.S. manufacturer. Firm wishes to have reciprocal arrangement for manufacturing its products in U.S. File 3069

**UNITED KINGDOM**—Manufacturer of patented horticultural stain remover for hands and clothing called Tomay, sold in U.K. for over 25 years, wishes to have product manufactured and distributed under license by company in U.S. File 3070

**UNITED KINGDOM**—Firm has designed and is manufacturing its **mini-garden unit** in U.K. and Europe; wishes to make licensing arrangements for same product to be made in U.S. Mini-garden consists of slim bar to which three removable brackets are fitted which hold the boxes themselves. Unit may be positioned indoors or outdoors, is suitable for growing food and/or flowers. Product is patented. File 3071

## U.K. Region Offers Investment Assistance

England's first regional new town, Central Lancashire, in the Northwest, has available seven major employment centers strategically placed to take full advantage of its excellent location in the national communications network.

Central Lancashire has a work force of 120,000 with a tradition of good labor relations. A skilled labor force is available for mechanical engineering, electrical engineering, electronics, chemicals, machine tools, distributive trades, food, drink and tobacco, leisure industries, clothing and textiles.

Central Lancashire has direct access to Britain's motorway network linking the major commercial and industrial markets from London in the south to Glasgow in the north. It is on the Inter-City rail system running from London to Glasgow. The area has access to the Port of Preston with roll on/roll off and lift on/lift off container service. Ports of Liverpool and Manchester are an hour's run by motorway. Manchester International Airport, with scheduled passenger service and freight, is linked to the major European cities and to North America.

Fully serviced leasehold sites are available in a range of units from 3.000 to 20,000 sq. ft. with expansion possible as needed. The corporation can offer advice on all design and technical matters, assistance with planning procedures, and information about Intermediate Area Grants, available from the Department of Industry.

For further information, contact William Taylor, V. Pres. of Marketing, Arthur Sworn Goldman & Associates Inc., 104 E. 40th St., New York, N.Y. 10016; telephone, 212-697-7820. P-76559.

## Guide Issued For Doing Business In Brazil

A new publication, "Executive Guide to Conducting Business in Brazil," by F. T. Haner, has been published by the Business Environment Risk Index (BERI). The guide is one of a series issued by the BERI group as a part of its effort to rate the business climate in various nations around the world for the foreign investor. The guides may be purchased for $75 by subscribers and $175 for non-subscribers to the BERI Index. In addition to the new guide on Brazil, the series includes guides on Canada and Iran.

BERI is a service to companies with multinational operations, developed by Prof. Haner over the past ten years to provide an evaluation of the business climate in 45 countries. Among factors rated in the index, which is published three times a year, are political stability, economic growth, labor productivity, credit availability and bureaucratic delays.

Write BERI, P.O. Box 4697, Newark, Del. 19711; telephone 302-738-2555.

*The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Division, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest are indicated by the five-digit numbers and commodity classifications which are from the Standard Industrial Classification (SIC) Manual and the Numerical List of Manufactured Products, 1972 Census of Manufactures.*

*U.S. firms should be aware that the listing in* Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Export Administration Act of 1969. Applicable export licensing regulations must be followed.*

*Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.*

*WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.*

*The mark (●) indicates that this trade opportunity is a request for bids by a foreign government agency.*

# Direct Sales

### Dimension stone

**1411XXX — JAPAN** — Granite, random block, to be used for gravestones. Pure black preferable. White also acceptable. Reports domestic annual demand for gravestone is estimated at $133 million in terms of raw stone. However, domestic resources have been almost exhausted. Foresees increasing demand for building use. Specializes in distributing imported native stone. Annual sales $7 million; 21 employees. Reply to—Mr. Go Yoshida, Pres., Tohoku Industry Co., Ltd., 5-51-8 Jingumae, Shibuya-ku, Tokyo 150. Phone 03-407-3766. Direct sale and agency.

### Chemical and fertilizer mineral mining

● **1471425—LIBYAN ARAB REPUBLIC**—Industrial Research Center invites bids for execution of aerial survey and mapping of the following zones: Jebel Saudah, Ghat, Jebel Addalmah and Jebel Al-Harroush El-Aswad. Tender documents and specifications available from Industrial Research Center, P.O. Box 3633, Tripoli. Tel: 40731, Telex: 20023. Offers must be accompanied by initial guarantee of one percent of total value of bid, and certificates and documents showing previous experience in aerial survey, geophysical survey, and topography.

### Building construction

● **15100, 16100, 16200—INDONESIA**—National Urban Development Corporation (Perusahaan Umum Pembangunan Perumahan Nasional), Jakarta Urban Development Project, Site and Service Housing Scheme, Klender (East Jakarta) will receive applications for prequalification from interested national and international contractors for construction of works described below, expected to be contracted in early 1977. They form part of Jarkata Urban Development Project and involve provision of infrastructure for housing sites of approximately 8,000 lots on area of 130 hectares. To be funded by IBRD loan. Descriptions of works and approximate quantities involved are as follows: I. major civil works: earthworks, 425,000 m3; main drainage canal, 32,000 m3; tertiary drainage canal, 6,500 m; water distribution pipes, reinforced concrete bridge, culverts and ancillary works. II. minor civil works and building works: secondary drainage canal, 1,500 m; tertiary drainage canal, 75,500 m; secondary roads, 43,000 m2; footpaths, 50,000 m2; water distribution pipes, footbridges, culverts, and ancillary works; and core houses, 6,500. Prequalification documents containing additional information on project (Tender No. 1/1/2/1/1) together with forms which must be completed by contractors may be obtained from IBRD Project Manager, Klender Project Office, Jalan Kramat Raya 15, Jakarta Pusat, Indonesia. Interested contractors must submit a written request for prequalification documents and notification of desire to participate in bidding process for Klender Site and Service Housing Scheme. Completed prequalification documents must be submitted by Aug. 9 at Board of Directors, Perumnas, Jalan Iskandarsyah 65-C, Kebayoran Baru, Jakarta Selatan, Indonesia (endorsed: Klender Project Prequalifications).

### Heavy construction

● **16200—TURKEY**—Supply and erection of following: A. One oxygen plant of 40/60/M3/H gas oxygen capacity, 165 ATM pressure, and bottle charging plant for oxygen production by air compression; B. One acetylene production plant of 80/100 M3/H max. capacity, (continuous 40/60 M3/H), calcium carbide loading capacity of 200 Kg. Bid deadline Sept. 14. Submit bids to: Tcdd Ismetsi Genel Mudurlugu, Merkez Alim Ve Satim Kosiyonu Baskanligi, Ankara (State Railways Administration). Procurement: IBRD. Option: 90 days. Delivery price to be quoted in tenders. Prices: f.o.b., c.i.f. Istanbul. Bidding specs. in English may be obtained for $8.50 from Modern Translation Bureau (MTB) at Karanfil Sokak 36/7, Yenisehir, Ankara. Make checks payable to MTB but forward bids only to buyer or U.S. firm's rep.

### Water well drilling

● **17810—LIBYA**—Council of Agricultural Development is seeking firms interested in drilling of eight water wells at Al-Wedian Al-Usta, to depth of approximately 300 to 1300 meters, plus or minus 20 percent, with total of 6710 meters, plus or minus 20 percent. Financed by Libyan Government through a Libyan commercial bank. Specifications may be obtained, for LD 150 ($515), from: Council of Agricultural Development, Ibrahim Hafed Bldg., Omar Mukhtar St., P.O. Box 190, Tripoli. Offers must be accompanied by initial guarantee of LD 40,000 ($136,000) and certificate showing the company's background, experience, previously executed works and financial status. Please send copy of all correspondence to: Pete Zantal, CAGNE/BIC, U.S. Department of Commerce, Washington, D.C., 20230, 202-377-4441.

### Sawmills, planing mills

● **242XXXX—MOROCCO** — Government requests bids on 5,000 aligned, parallel oak boards 45 mm x 200/250 mm x 2.65 to 3.0 meters long. Bid deadline Aug. 9. Contact Monsieur le Chef du Service Administration Division des Approvisionments. Construction and Forest Products Division, Department of Commerce, 202-377-3365, has copies of general bidding file, general conditions and technical specifications available upon request.

### Millwork, veneer, plywood, prefab. structural wood products

● **243XXX—EGYPT** — Foreign Purchaser Committee, Timber Trading Company 1, SIT Misr St., Wardian, Alexandria, requests bids on 6,000 cubic meters of beechwood, 20,000 cubic meters of plywood, 2,000 cubic meters of hornbeam, 3,000 cubic meters of arrow wood, and 2,000 cubic meters of oak wood. Interested firms are urged to contact their agents to obtain tender documents and specifications from company's head office in Alexandria.

### General commercial printing

**2754235—GUYANA**—Machine to print on polypropylene sack 4″-5″ bold print. Call or write—Marvin Wray, Wray's Enterprise, 271 South Ruimveldt Gardens, Greater Georgetown. Tel. 02-71709.

### Industrial chemicals

● **28190—KOREA**—Chemicals and oil for steel industry (Pohang Iron and Steel Co. Ltd.). Aluminum chloride ($AlCl_3$), 100 percent of weight, in powder form, 12,000 kilograms; sodium hydrogen sulfide ($NaHSO_3$), 30 percent, liquid, 10,000 liters; poly-electrolyte anion type, 3,600 kilograms; anti-rust oil, 111,300 liters; and rolling oil, 315,600 liters. Tenders to Office of Supply, Government of Korea, Seoul. Tender Inv. No. KFX-76099-P111, bid deadline July 20. Copies of full terms, packing, shipping and specification available from Chemicals and Rubber Program, Materials Division, OBRA, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3468.

### Drugs

● **28310—TANZANIA** — Central Tender Board seeks bids on various vaccines in-

cluding measles, polio (Sabin), T.A.B., and yellow fever. Also anti-rabies. Tender Document No. 32. Closing date Aug. 20. Recommended that interested bidders study detailed descriptions and specifications and abide by terms and conditions of bidding. Copies of documents may be obtained from Room 2104, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-2239.

● **28340—TANZANIA** — Central Tender Board seeks bids on pharmaceutical preparations including tetracyclini oral suspension; penicillin phenoxymethyl tablets and oral suspension; various injectable penicillins; aspirin, paracetamol, ascorbic acid, and chloroquine tablets. Tender documents No. 29 and 32. Closing date Aug. 27. Interested bidders are requested to adhere strictly to details of tenders. Copies of documents available from Room 2104, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-2235.

### Agricultural chemicals

● **28700—NIGERIA**—Calcium ammonium nitrate (26 percent), 7,000 metric tons; single superphosphate (20 percent), 7,000 metric tons. Delivery required at Gombe railhead between Dec. 1 and March 31. Tender number not available, bid deadline Aug. 16. Bids should be forwarded to Project Manager, Gombe Agricultural Project, P.M.B. 46, Gombe, Nigeria.

### Fabricated rubber products

**30693XX—GERMANY**—Latex foam, ⅜ in. thick, 54 in. wide, heat resistant. Anticipated purchases: 3,000 meters/year. Financial ref. Dresdner Bank AG, 4030 Ratingen. Reply by fastest means to—Herr H. J. Behrend, Ing. Hans-Juergen Behrend Gmbh, Postfach 8122; Sperberweg 16, 4030 Ratingen 8 (Homberg). Tel: 02102-5919.

### Pottery, related products

**3262052—IVORY COAST** — Kitchenware, household. General household articles for rack-type & counter sale in supermarket. Leading importer/distr. of frozen, canned & packaged foods & household products. Abdulla will travel to New York, Chicago & LA July 25-Aug. 9 to meet with potential suppliers of non-food items. Also seeks agent & freight consolidator in U.S. Reply ASAP to—Mohamed Abdulla, Dir., Ste. Ivoirienne Promotion de Supermarches, Imm. Nou-Al-Hayat, P.O. Box 20, 837, Abidjan. Telex NIF 716; tel. 22-88-17.

### Rolling, drawing, extruding of nonferrous metals

● **33500—UNITED ARAB EMIRATES**—600 kilometers bare copper wire for overhead power line in various sizes; 20,000 600-volt insulators for overhead power line; 300 kilometers of 600-volt, PVC insulated single conductor wire in various sizes. Tender No. TI/PD/93-23-76; bid deadline Aug. 11. Water and Electricity Department, P.O. Box 219, Abu Dhabi. Tender documents available at above address at 1,500 dirhams, non-refundable.

● **3354056, 3569119—ALGERIA** — Supply of unknown quantities of equipment for production of baby diapers and sanitary napkins and supply of unknown quantities of wrapping machinery. Bid deadline Sept. 30. Tender documents available for $48.40 (200 DA) and may be obtained from State Cellulose Industries Monopoly, SONIC, Rampe Ali Hadad (ExZaatcha), El Mouradis, Algiers. Cables: Sonicel Alger. Telex: 52933. Phones: 663800 and PQ. Correspondence in French preferred. All specs. metric.

● **3357XXX, 3662XXX—TURKEY**—Denis Kuvvetleri Komutanligi, Ikmal Dairesi Baskanligi, Tedarik, Ankara, has issued tender for supply of 4,000 meters of submarine cable and ten sets shipboard radar. Bid deadline Aug. 2. Copy of specifications available from Modern Translation Bureau, Karanfil Sokak 36/7, Yenisehir, Ankara, for $10 for cable and $12.50 for radar.

### Cutlery, hand tools, general hardware

**3421XX — SINGAPORE** — Cutlery, all types. Direct sales & agency. Estab. 1959. Importer & distr. of fashion wear, household & kitchen utensils & sundries. Bank ref: Hong Kong & Shanghai Banking Corp., Raffles Place Br., Singapore 1. Reply to—Michael Ong, Gen. Mgr., F. J. Benjamin & Sons (Pte) Ltd., 3rd Floor, Faber House, Orchard Rd., Singapore 9. Cable Benphil, Singapore; phone 2350-155.

### Farm machinery

● **35230—SUDAN**—Bids are requested by Dr. Hassabo Suliman, Acting General Manager, Sudanese Kuwaiti Animal Production Co. Ltd. (SKAP), P.O. Box 2526, Khartoum, Cable: Inman, Khartoum, for following equipment: 366220—supply and installation of radio communication system; 355130—supply and installation of feed mill and mix equipment; 371120—supply of vehicles; and 352300—supply of farm machinery. Above equipment required for ranching project located about 70 kilometers south of Khartoum. Tender documents obtainable from company's office at 51 St. 33, Khartoum 2 or from ULG Consultants 22, Oxford St. Eddington, Hungerford/Berkshire, England, against non-refundable fees of LS.20,000 per set or its equivalent. Tenders should be accompanied by deposit of 2 percent of total value by certified check, money order, or letter of guarantee from recognized bank in Sudan to Sudanese Kuwaiti Animal Production Co. Ltd. Successful tenderers will be required to complete deposit to 10 percent. Closing date is Aug. 1.

### Special industrial machinery

● **35550—ALGERIA** — Printing equipment; offset printing equipment; inline flexigraphic printing equipment; paper cutting machines; misc. equipment for manufacturing racks, staples, cardboard covers, folders, and hole punchers; equipment to manufacture notebooks, paper pads, envelopes and folders. Supply of above listed types of equipment for manufacturing school supplies. Bid deadline Sept. 30. Tender documents available for 200 DA ($48.34) from Monsieur le Directeur General, SONIC, Rampe Ali Haddad (Ex Zaatcha), El Mouradis, Algiers. Cables: Sonicel Alger. Telex: 52933. Phones: 66-38-00 and 01. Correspondence in French required. All specs. metric. Offer to remain valid 120 days past bid deadline.

● **35590—SRI LANKA**—Supply, according to specs., plant and equipment for processing 14 million cu. ft. of oxygen gas and 6 million cu. ft. of acetylene gas per year. Also supply of approx. 5,000 oxygen cylinders of capacity 220, 185, 165, and 110 cu. ft., respectively; and about 2,000 acetylene cylinders of capacities of 240, 100, and 60 cu. ft., respectively. Also supply of 100 each oxygen and acetylene gauges. Two years spare parts to be included. Bid deadline Aug. 3. Write to: S. K. Wijeweera, Purchasing Manager, Ceylon State Hardwood Corp., P.O. Box 670, 242 Havelock Road, Colombo 5. Facsimile of tender docs may be used to submit quotations but refundable tender deposit of 1,000 rupees must be forwarded with bids. Tenderers should supply 3 copies of drawings as stated. Prices c.i.f. Colombo. Tenders should be forwarded in duplicate to Chairman, Tender Board at above address. Ref.: 06/05/149. Value estimated at 2 million rupees ($231,546). Mode of payment not stated in tender.

● **35600—KENYA**—Supply and delivery of two bandscreens (c.i.f. Mombasa) for intakes to raw water pumping station on Sabaki River about 40 km west of Malindi, together with provision of services of an engineer to check erection of plant and commission it. Each bandscreen will be required to pass flows up to 3600 M 3/H. Contract No. MCS/4; bid deadline not specified. Firms wishing tender documents should apply in writing to: Director of Water Development, Ministry of Water Development, P.O. Box 30521, Nairobi. Tender documents will be issued

### Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate or make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

only against payment of deposit of $61.27, by way of crossed check in Kenyan currency payable to "The Director of Water Development." Deposit will be refunded only on receipt of valid and complete tender at correct time. Tenderers will only be allowed tender documents if they can satisfy the Director of Water Development as to their experience in manufacturing plant concerned. Any deposit by tenderers not qualified refunded.

• **356924—INDIA**—Supply of high vacuum oil filters, according to specs, required for three-phase 100 KVA 220/132 KV power transformers. Bid deadline Aug. 25. Bid specs available for 50 rupees from R. V. Naidu, Superintending Engineer, Technical (EL) Projects, Andhra Pradesh State Electricity Board, Vidyut Soudha, Hyderabad 500049, India. Ref.: Specification APT 20/76. Bids should be sent to Assistant Secretary (Special) at above address.

### Electrical industrial apparatus

**3624152—INDIA**—70 solid carbon electrodes size ½" dia. x 12" long for Atlas Weather-O-Meter & Fade-O-Meter; quantity: 5,000 pieces. Also, 20 cored carbon electrodes of size ½" dia. x 12" long, quantity: 5,000 pieces, for same. Quote c.i.f. Calcutta with earliest delivery terms. Reply to: K. C. Seal, Deputy Dir. (Chem), National Test House (A GOI Undertaking) Dept. of Supply, 11/1 Judge's Court Road, Alipore, Calcutta 700027. Cable Testhouse, Calcutta; phone 45-9231.

### Communications equipment

• **3662XXX—ECUADOR** — La Secretaria de la Direccion General de Aviacion Civil, Avda. Colon Y Juan Leon Mera, Quito, has issued tender for supply of a receiver system for satellite photographs and other equipment related to meteorological satellite surveillance. No bids accepted by mail. Bids must be submitted by Ecuadorian agent of supplier. Copy of specifications may be picked up at above address for Sucres 500 (U.S. $20) not refundable.

• **3662XXX—GUATEMALA** — Ing. Jorge Orellana Zuniga, Director, Unidad Ejecutora, Saneamiento de la Ciudad de Guatemala 5C. Piso, Ala Poniente, Palacio Municipal, Zona 1, Guatemala City has issued tender for supply of one truck-mounted television system for examining interior surfaces of sewer pipes. Supplier must furnish training for local technicians. Also ten portable transceivers, four mobile radio-telephones. Copy of specifications available from above address.

### Electronic components, accessories

• **3671XXXX—KOREA**—Office of Supply, Seoul, has issued tender no. KFX-76122-PI for supply of electronic components, many types, as repair and maintenance parts for satellite communications equipment, radio terminal equipment, and carrier telegraph and telephone equipment. Bid deadline Aug. 3. Copy of specifications available from above address.

### Engineering, laboratory, scientific, research instruments

• **3811XXX—KOREA**—Office of Supply, Seoul, has issued tender no. KFX-76127-PIII for supply of one set coke reactivity testing equipment, including electric furnace, temperature control panel, gas supply control panel revolving tester and spare parts. Bid deadline Aug. 5. Specifications available from above address.

• **38110—MALAYSIA**—Bursar, Universiti Sains Malaysia, Minden, Penang, Malaysia, has issued invitation for offers for supply and installation of scientific equipment in School of Applied Sciences for one-year period. Bid deadline Aug. 9. Copy of specifications available from above address upon payment of fee of M$50 (US $1.00=M$2.50).

### Surgical, medical, dental instruments

• **3841XXX—SRI LANKA** — Department of Health, P.O. Box 584, Colombo, has issued tender no. CON/TEN/76/193 for supply of blood transfusion equipment—60,005 disposable administration sets, 10,000 disposable donor sets, 10,000 sterile dry vacuum bottles, 10,000 feed latex surgical tubing, 30,000 sterile A.C.D. bottles. Bid deadline Aug. 3. Copy of specifications available from above address.

### Photographic equipment, supplies

• **3861XXX—GUATEMALA** — Institudo Geografico Nacional, Anenida las Americas 5-76 Zona 13, Guatemala City has issued tender no. 28-76 for supply of one serial photogrammetric standard angular camera, 23 CMX format, focal length, 6 inches. Bid deadline July 27. Specifications available from above address.

• **3861XXX—KOREA**—Office of Supply, Seoul, has isued tender no. KFX-76131-PI for supply of 7 boxes, 100 sheets each, 20 inch x 40 inch black and white orthochromatic graphic arts photo film. Bid deadline Aug. 3. Copy of specifications available from above address.

### Scrap materials

**5093XXX—GREECE**—1,000 tons cotton waste to be used as grease absorbing material. Acts as agent and importer of construction materials. Interested in direct import of above needs f.o.b. prices and time of delivery. WTDR on request. Reply to: Alex Tsamkosoglou, Mgr., Alex Th. Tsamkosoglou, Tsamco Trading, 16 Douk Plakentias St., Athens 605. Tel. 6425797; cable: Tsamcotrad.

### Antique, secondhand stores

**5931XXX—EGYPT**—Off-season, used and out-of-fashion garments in bulk. Requests price list c.i.f. Alexandria and catalogs, if available. Riad is well known wholesaler in Alexandria. Cable—Mr. Samir Riad, El Samir Bro., 2, Sinan St., El Garaya Bldg., Manshiya, Alexandria. Cable: Samirian, Alexandria; tel: 804814.

## Visiting Buyers & Officials

**SAUDI ARABIA**—A.M.Y. Alreshaid, P.O. Box 363, Alkhobar, Saudi Arabia; telex 67017 AMYR, wants to become an exclusive dealer for all of Saudi Arabia for **220 v. refrigerators and one to two-ton window air-conditioners.** The company has a good technical staff and service facilities to handle air-conditioning products, and aggressively and diligently promotes the products it sells. Alreshaid may be contacted directly or through Terry Rettig, Foreign Buyer Program, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3265.

**UNITED ARAB EMIRATES**—A prominent Sharjah businessman, Salem Al-Shamsi, is seeking a U.S. firm to assist him in establishing a **department store** in Sharjah. He is willing to discuss a variety of arrangements, including supply or joint venture management. Interested parties should contact Al-Shamsi directly by writing P.O. Box 1761, Sharjah, U.A.E. Please forward a copy of all correspondence to: Pete Zantal, CAGNE/BIC, U.S. Department of Commerce, Washington, D.C., 20230, 202-377-4441.

**AUSTRALIA**—William J. Ramsey, Director, K. K. Diesels Pty. Ltd., Sydney, is interested in locating suppliers of **medium and heavy-duty trucks, spare parts and accessories.** He may be contacted through Terry Rettig, 202-377-3265.

**SWITZERLAND**—Rene Rochat, President, EXA SA, Chemin De La Praly 15, 1222 Vesenaz, Geneva, is interested in exchanging technology between American and European firms in the fields of **specialty chemicals, surface treatment techniques, photo etching equipment, marine instruments, and electronics production equipment and instruments.** Rochat offers to act as consultant to U.S. manufacturers of materials or equipment seeking to export or to manufacture under license in Europe, is willing to travel within the United States if necessary. He can be reached through Stanley Lieberstein, c/o Osholenk, Faber, Gerle, Soffen, 260 Madison Ave., New York, N.Y., or Vanguard Research Associates, South Plainfield, N.J.

**IVORY COAST** — Mohammed Abdulla, Director Societe Ivoirienne de Promotion de Supermarche (PROSUMA), Boite Postale 20. 837, Abidjan, is interested in **kitchenware, aluminum and stainless cooking utensils, household brooms, general household articles for rack-type and counter sale in supermarkets and small household appliances (220V, 50HZ only)** He may be contacted directly in Abidjan or through Terry Rettig, 202-377-3265.

**AUSTRALIA**—N. Grant, Managing Director, Premier Sporting Products, 569 Princess Highway, Rockdale, NSW 2216, is interested in **gun oil, telescopic sights, moulded plastic shooters accessories and all products associated with sporting firearms,** but not guns. His itinerary is as follows: Denver, July 19; Fort Worth, July 22; Nashville, July 24; Philadelphia, July 30; Pittsburgh, Aug. 2; Chicago, Aug. 4; Portland, Ore., Aug. 18; San Francisco, Aug. 22. He may be contacted directly in Australia or through Terry Rettig, 202-377-3265.

**JAPAN**—Koreiyo Terada, President of Tak and Co., Inc., 1-21-5, Befu, Nishi-Ku, Fukuoka 814, is making a trip to the U.S. to buy **cattle** and **ash wood lumber for baseball bats.** Terada will be in New York, July 18-22; Kansas City, July 22-25; Denver, July 26-28; and Los Angeles, Aug. 15-19. Interested parties should contact U.S. Department of Commerce District Offices in the above cities or Foreign Buyer Staff, U.S. Department of Commerce, Room 2322, Washington, D.C. 20230, 202-377-3265.

**JAPAN**—Hachiro Iyoda, President, K. K. Iyoda Kanamono, 105 Ohiri, Myodaijicho, Okazaki 444, is a distributor of **household appliances, housewares and home decorating products.** Iyoda is interested in "new-to-market" products complementary to his present line. He may be contacted directly or through Terry Rettig, 202-377-3265.

**JAPAN**—Yoshinari Kimura, Managing

Director of J.A.C. Co., Ltd., 7-7-3 Chome, Kyomachi, Kokura Kitaku, Kitakyushu City, Japan 802, is interested in importing **ferro-nickel alloy scrap,** preferably hoop or coil containing 45 to 60 percent nickel. He may be contacted directly or through Terry Rettig, 202-377-3265.

**AUSTRALIA**—F. D. Bush, Managing Director, Firebrick Constructions Pty., Ltd., 21 Hinkler Ave., Carinbah, New South Wales, 2229 Australia will be in the U.S. for two weeks beginning July 23. He is interested in contacting suppliers of **refractory bricks or raw materials** to discuss representation and to learn the latest installation technology. He may be contacted directly or through Terry Rettig, 202-377-3265.

**AUSTRALIA**—Wallace Halpin, Managing Director, Chapman P.W. Engineering Pty. Ltd., 78 Arncliffe St., Arncliffe, N.S.W. 2205 Sydney, will visit the U.S. in August to contact American suppliers of **equipment and instruments for dental and optical surgeries and laboratories.** He is also interested in acquiring **contact lens blanks and grinding machinery.** Halpin will visit San Francisco, Los Angeles, New Orleans, Miami, Williamsburg, Va., Washington, D.C., and New York City. He may be contacted directly or through Bill Corfitzen, 202-377-2068.

# Representations

*Foreign private firms are interested in agency agreements and/or distributorships for these products.*

### Industrial chemicals

**2816XXX—THAILAND** — Titanium dioxide for paper industry. Requests c.i.f. prices & general information. Reply to Udom Vidyanakorn, Mgr., Bhanuvid & Assoc., P.O. Box 875, 164 St. Louis St., SOI 2, South Sathorn, Bangkok. Cable Bhanuvid; tel 2341372.

### Glass products

**3231633—AUSTRALIA** — Table, kitchen, art & novelty glassware both hand & machine made. Similar products to Anchor Hocking & Federal Glass. Covers Australia. WTDR in prep. Excl. distr. Reply to—John Harkin, Mgr., Frank M. Harkin & Co., 46 Holt St., Surry Hills, N.S.W. 2010. Cable Harkinmel; Tel. 699 3644.

### Pottery, related products

**3261051—CANADA**—Towel bar holders, toilet paper holders. Excl. agency. Mfrs. agency estab. 1951 selling largely to construction trade in British Colombia. Banking source states firm has carried satisfactory account for many years & is fully responsible for regular business commitments. Reply to—G. J. Miles, Pres., P. A. Miles & Sons Agencies Ltd., 1620 W. 5th Ave., Vancouver, B.C. V6J 1NB. Tel 604-736-2696.

### Communications equipment

**3662631—NORWAY** — Small tone frequency telemetering system for transmitting alar, analog measuring values & supervisory control. Estab. 1972 as mfr., agent & importer of alarm & surveillance equip. Employs 12. Excl. distr. Write or call—Jorgen Nordahl, mgr., Avansert Elektronikk A/S, Skarerveien 100, P.O. Box 62, 1473 Skarer. Phone 02 46 10 10. Ref. Den Norske Creditbank, Oslo.

**3662681—SWEDEN**—Home TV game attachment, which should work on any size TV set. Cannot make est. dollar value, but intends to buy 10,000 units. Well estab. co. (1967), financially sound. Business obligations met punctually & co. enjoys good reputation in business community. Recommended as suitable trade contact. Reply to—Bertil Nyman, Gylling Hem-Elektronik AB, Fack, S-161 11 Bromma 11. Cable Gyllinggrup; telex 19400; tel.: 08/98 16 00.

### Electronic components, accessories

**3679047 — AUSTRALIA** — Phonograph needles & cutting styli. Seeking new suppliers. Excl. distr. Reply to—Michael Dean, Gen. Sales Mgr., Goldring Sales & Service Pty. Ltd., 26-28 Ricketty St., Mascot, N.S.W. 2020. Telex AA24526; tel. 669 6088.

## UNDP Approves Ten Requests For Financial, Technical Aid

The United Nations Development Program (UNDP) has recently approved ten requests for financial and technological assistance from eight countries and regions.

These projects are listed below with the potential opportunities for subcontracting or procurement of equipment, or both, shown in parentheses.

Interested U.S. firms may obtain copies of these project summaries from the Export Information Reference Room, Office of Export Development, Room 1063, Attn: Betty W. Patrick, U.S. Department of Commerce, Washington, D.C. 20230. Please include a self-addressed label with your request, and identify each project summary desired by project number, country, and title. If the booklet, *UNDP Business Guide,* would be useful, please so indicate.

BUR/70/515 — BURMA — Universities' Computer Centre (equipment).

EGY/75/004—EGYPT — Power sector survey (subcontract).

IND/74/009 — INDIA — Groundwater studies in the Ghaggar River Basin in Punjab, Haryana and Rajasthan (equipment).

INS/72/019—INDONESIA — Highway planning (equipment).

INS/74/034 — INDONESIA — Assistance to industrial development of building materials manufacture (subcontract/equipment).

MOR/73/002 — MOROCCO — Establishment of Moroccan Packaging Institute (equipment).

RAF/75/051 — REGIONAL (Africa)—East African Civil Flying School, Phase II (subcontract/equipment).

RLA/72/100 — REGIONAL (Latin America)—Regional educational systems network (subcontract/equipment).

RLA/74/008 — REGIONAL (Latin America)—Veterinary mobile laboratory services program (equipment).

TUR/75/070—TURKEY — Health manpower development (equipment).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**St. Louis,** 63105, 120 S. Central Ave. (314) 425-3302.

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